# **Co-operation Between Co-operatives**

# **David Griffiths**

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A history of the Co-operative Federation of Victoria Ltd is in essence about the co-operative principle of co-operation between co-operatives and about the origins, development, benefits and limits of a peak body for co-operatives.

The history does not repeat and is complemented by a recent publication on the history of the Federation from 2004 up to 2014: Co-operation – Ideal and Practical Each for All and All for Each. This revision of 2017 is broader and deeper than the original version published on the australia.coop website in 2003. Fourteen years has provided an opportunity to think further about the experience of co-operation between co-operatives and critically examine and reflect on available documentation such as board agenda papers and minutes, correspondence, submissions and various publications generated over the years. The original version of Co-operation Between Co-operatives is attached for comparison.

The Co-operative Federation of Victoria (CFV) was formed in Melbourne on the 19 October 1970 as an unincorporated body. It was not until 1983 that the Federation was incorporated.

Prior to the establishment of the CFV there were at least three preceding initiatives to establish peak bodies for co-operatives in Victoria. In 1897 the Bendigo Co-operative District Society called for a conferences of co-operatives throughout Victoria to discuss the establishment of a co-operative union. A meeting at the Victorian Trades Hall Council on 21 March 1913 discussed the need for a co-operative union – a workers Co-operative Society of Victoria. In 1921 a Co-operative Union of Victoria was formed. In 1939 a Co-operative League was formed in Victoria, in 1940 proposed the establishment of a wholesale society and in 1944 the League organised a Victorian Co-operative Congress.

# **Co-operative Development Society**

The immediate predecessor to the Federation was the Co-operative Development Society (CDS) registered on 6 February 1961 as a Community Advancement Society by the YCW Co-operative Movement. Throughout the 1960s the CDS was committed to co-operative advocacy and education. In its January March 1964 Development Bulletin, the Co-operative Development Society Limited explained: "Membership of it is on an individual basis. Anyone interested in co-operatives may apply to become a member provided he or she is prepared to work for the advancement of co-operatives. The Development Society is responsible for promoting new co-operative societies and for stimulating interest in the proper development of existing societies."

According to its April/June 1961 Development Bulletin, the CDS was committed "towards developing 'whole' co-operators - not only 'one-type' co-operators." Between 1961 and 1970 the CDS:

- Published the quarterly Co-operator
- Published the quarterly Development Bulletin
- Build-up a co-operative library
- Provided speakers
- Organised co-operative education conferences

The Co-operative Development Society made it known in the late 1960s that it would close down in favour of a Federation and with the establishment of CFV the Co-operative Development Society transferred its assets to CFV. The Secretary of the Co-operative Development Society was Ted Long who subsequently became a founding director of the Co-operative Federation of Victoria.

The CFV was initially formed with the following objects:

"To encourage the application of co-operative principles and methods to economic and social needs by the formation and development of co-operative organisations and associations for distribution, marketing, housing, health insurance, credit and any other services or activities to which co-operative principles and methods may be applied.

To carry on, encourage and assist educational and advisory work relating to co-operative enterprises.

To further and protect the interests of co-operatives by action in making representations to responsible authorities.

To print, publish and circulate any newspapers or other publication in the interest of cooperative enterprises, practise and principles.

To render services designed to ensure efficiency and uniformity in the conduct of the business of its members."

By 1971 the 10 foundation members of CFV were:

Associations - Federations	Societies or Corporations
Victorian Credit Co-operative Association	Phosphate Co-operative
Victorian Trading Co-operative Association	Co-operative Insurance Company of
	Australia
Victorian Artificial Breeder Association	Murray Goulburn Co-operative
Federation of Co-operative Housing Societies	YCW Co-operative Society
of Victoria	
	Security Co-operative Permanent Building
	Society
	Home Land Co-operative

In 1971 the reported aggregate individual membership was 150,000. It is also interesting to note that after 47 years only one of these members still exists - the Murray Goulburn Cooperative Co Limited.

The August 1971 issue of the CFV's publication Co-op Digest explained in an article, Why the Federation?

"It was formed by people who saw a need to co-ordinate the many types of co-operatives in Victoria. The founders believed a federation was necessary to ensure that the vast amount of money, effort, achievements, talents, knowledge, experience and hopes built up in co-operatives was developed to the fullest extent in meeting economic and social needs."

"The Federation is a voluntary association of co-operatives designed to encourage the application of co-operative principles and methods. It will seek to do this without usurping or duplicating the functions of any association of co-operatives or of any individual co-operative society or corporation."

With the formation of the CFV, the Co-operative Development Society eventually ceased operating. On its establishment the CFV joined the national Co-operative Federation of Australia. The Co-operative Federation of Australia had been formed in 1944. State Federations in New South Wales, Queensland and Western Australia were already members.

Between 1970 and 2016 the Federation has been served by seven male Executive Officers/Secretaries and nine male Presidents/Chairmen.

# **CFV Executive Officer/ Secretary**

#### 1970-2017

1970-1974	Mr. Bob Maybury
1974-1978	Mr. J.Rigby
1978-1985	Mr. W.W.Rawlinson
1985-1987	Mr. A.B.Miller
1993-1999	Mr. A.Gill
1999-2002	Mr. Graeme Charles
2001-2017	Mr. David Griffiths

In 2001 Graeme Charles advised the board that he wished to stand down as Secretary and focus on the role of Executive Officer. From 2002 CFV no longer employed an Executive Officer and these functions were shared between the Secretary and Chairman. While resigning as Executive Officer in 2002 Graeme Charles remained on the board for a few more years to pursue co-operative education and training initiatives with UK Co-operative College as Deputy Chairman and Manager, Education and Training.

### **CFV Chairmen/President**

#### 1970-2017

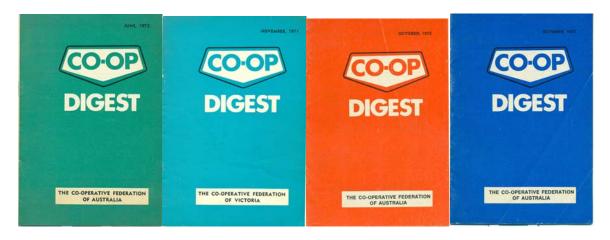
1970-1975	Mr. John Mason
1975-1976	Mr. H.J.Lyons

1976-1980	Mr. M.Rundle
1980-1984	Mr. J.N.Black
1984	Mr. Brian McIntosh
1989-1993	No Chair with a Victorian Chapter of the Australian Association of Co-operatives.
1993-1993	Mr. Brian McIntosh
1993-1997	Mr. John Gill, Victorian Producers Co-operative Co Ltd
1997-2002	Mr. David Griffiths, Co-operative Energy Ltd
2002-2013	Mr. Tony O'Shea, Avoca District Co-operative Ltd

Mr. John Mason, of the Co-operative Housing Societies of Victoria, was appointed the foundation President (Chairman) and Mr. Rob Maybury was appointed the foundation Secretary/Treasurer.

Between 1971 and 1974 the CFV published Co-op Digest - its first publication. The publication had originally been proposed by the Co-operative Development Society early in 1970 as a successor to its publication The Co-operator and was referred by CDS to the CFV on its establishment.

In the first August 1971 issue of Co-op Digest it was stated: "The Digest will be directed towards education of directors, committee members, employees and voluntary workers."



At the 4 October 1971the paid circulation was 433 and at the 1 November 1971 Co-op Digest had a paid circulation of 560. At the request of the CFA, from 1972 the Co-opDigest was being published by the CFV for the Co-operative Federation of Australia as a national co-operative publication. In the February 1972 issue of the Co-op Digest the CFA noted: "1972 sees a new development in the affairs of the Co-operative Federation of Australia where its youngest member has adapted its own publication to the needs of national co-operative organisation. This is practical co-operation at work and the Council of the CFA records its appreciation of the Co-operative Federation of Victoria for this gesture." At a board/council meeting on 12 November 1973 the CFV board noted that Co-op Digest needed to bring in an annual income of \$750. At a board/council meeting on 3 February 1975 the CFV board decided to ask the Co-operative Federation of Australia to be relieved of responsibility for the Co-op Digest.

Throughout the 1970's the federation was being subsidised by the Co-operative Federation of Australia to assist its establishment and development.

Mr. Maybury continued until March 1974 when he was succeeded as Secretary/Treasurer by Mr. J.Rigby, of the Murray Goulburn Co-operative Co Ltd. Mr Mason continued as President until 14 April 1975 when he was succeeded by Mr. H.J.Lyons.

Mr. Lyons continued as President until 1976 when he was succeeded by Mr. M.Rundle, of the Security Co-operative Permanent Building Society. Mr. Rundle had been a director of the Co-operative Development Society.

### **Executive Officer Rawlinson**

In 1978 it was agreed to re-locate the federal secretariat of the Co-operative Federation of Australia Ltd from Canberra to Melbourne - enabling the Executive Officer of the Co-operative Federation of Australia, Mr. W.W.Rawlinson (1919 – 1993), to be seconded to the CFV on a 50% time basis from 1 November 1978. The federal secretariat had been established in Canberra in 1973. Mr. Rawlinson had been appointed Executive Officer for the Co-operative Federation of Australia in 1965.

In 1979 Rawlinson advised the 1979 Victorian Co-operative State Conference "that the Federation is as strong as its members support and involvement" It was a basic truth that revealed the ongoing strength and weakness of the Federation but, more importantly, it understood that the Federation was and would become what members decided. The Federation had no future if co-operatives did not accept the Federation as an extension of their co-operation but rather as an organisation that competed to provide services for co-operatives.

From start to finish CFV was financially dependent on a few co-operatives. For the year ended 30 June 1980 there were 26 members paying a combined annual subscription of \$17, 495 but who was paying what revealed this ongoing dependency – four co-operatives were paying \$12,025 (68.73%) of subscription income and another five co-operatives were paying \$2,889 (16.5%), The top four were Ibis Milk, Murray Goulburn, Phosphate Co-op and Victorian Producers' Co-operative. In 2017 the only survivor of these four is Murray Goulburn.

On the 17 and 18 March 1979 a Business Plan was formulated by the Executive Officer for CFV and this noted the following weaknesses in the Federation:

Financial insecurity
Image
Other Co-operatives or trade organisations.
Lack of incorporation of CFV
No income earning services
Conservative not entrepreneurial
Diversity of Co-operatives
Constitutional structure of CFV
No tangible benefit of membership
Lack of member feedback
Member education
Board expertise (lack of)
Lack of public relations

In 1980 Mr. Rundle resigned as President and he was succeeded by Mr. J.N.Black, of the Victorian Artificial Breeders Co-op Soc. Ltd. In 1982 the CFV decided to formally incorporate and the Co-operative Federation of Victoria Ltd was registered on 8 February 1983. From July1983 Mr. Rawlinson resigned as Executive Officer of the CFA but continued as Executive Officer of CFV until December 1984. He had served the co-operative movement in Australia for 21 years.

With variations, the weaknesses continued throughout the history of the Co-operative Federation of Victoria Ltd.

In 1980 the CFV board was lamenting that income was insufficient to employ a full-time Executive Officer. This was never resolved and, therefore, a full-time Executive Officer was never employed.

At a 31 March 1980 board meeting it was noted that the CFWA had reported that its annual conference had adopted a resolution that the constitution of the Co-operative Federation of Australia should be amended to include direct membership in addition to State Federations. This was not to be until the establishment of the Business Council of Co-operatives and Mutuals in 2013 which provided for State membership and direct membership of individual co-operatives.

The Annual Report 1981 observed that membership had increased by over 50% during the year: "Whilst this is encouraging there is still a very great need for realisation by many Victorian Co-operatives of the benefits that membership of the Federation can provide." This was stated when CFV had a membership of 42 – six were funded under the Victorian Government's Co-operative Development Program and required to be members of CFV and at least a further 19 of the members had ceased to exist by 2017.

At the 30 June 1982 CFV had 61 members which included 12 Government funded cooperatives that were required to be members and Executive Officer W.W. Rawlinson observed in the CFV Report For year ended June 30<sup>th</sup> 1982: "....there still remains a large number of Co-operatives outside its membership, Today more than ever there is a great need for Co-operatives to co-operate among themselves to establish a strong respected co-operative sector in our community, to continue to develop as sound viable locally owned co-operative businesses with board and management fully appreciating and capitalising on the special significance of co-operatives and the essential differences between them and other private profit motivated businesses. There is a great need to protect and develop the benefits which our predecessors have established. The most effective way to achieve all this is by uniting as Co-operatives in our approaches to Government and the public, to act as Co-operatives and to be seen and recognised as true Co-operatives." There was no public statement forthcoming from CFV that the Government required funded co-operatives to be members of the Federation and that this requirement was inconsistent with co-operative values and principles.

In 1984 J.N.Black resigned as Chairman and Mr. Brian Macintosh was appointed.

In 1985 in a submission to MACC the CFV that it had been reviewing its structure, functions and resources and that the Federation's central role was in bringing together co-operatives from different sectors to address matters of common concern. The submission noted that the

activities of the Federation were in two areas – common services and facilities and a voice of the co-operative movement. It was also noted that the large co-operative members in Victoria carried a major burden of the Federation's subscription income. In 1985 total subscription income was \$40, 545 - \$27, 330 (67.4%) was paid by 10 large co-operatives with four paying a total of \$16,000 (39.5%) \$4000 each. Flash forward to 2017 and only one of these co-operatives still exist.

# **Government Controlled Co-operatives**

Between 1981 and 1987 a preoccupation for the CFV were two Victorian Government initiatives - the Co-operative Development Program (CDP) and the Ministerial Advisory Committee on Co-operation. Both initiatives were time consuming and eventually led to no ongoing outcomes or relevance for CFV.

The CDP was established in 1981.

Under the CDP, funding was provided to the CFV. In March 1981 the Ministry of Employment and Training provided the CFV with a grant of \$5000 to organise a residential workshop. In June 1981 the Minister of Employment and Training authorised the appointment of a Co-operative Business Adviser employed by the Co-operative Federation of Victoria Ltd. The Co-operative Business Adviser, Mr. Brian Greer, commenced duties on 13 July 1981. The CFV was also represented on the CDP Funding Committee.

The CFV was concerned about the nature and direction of the CDP and in an October 1984 newsletter to members stated: "Uncertainty and doubt about the Ministry of Employment and Training's role in the Worker Co-operative Development Program, staff turnover, delays in administering Programme commitments to Worker Co-operatives causing, amongst other things, cash flow problems, all confirm the often expressed view that administration of this type of Programme is a function for an informed professional business organisation, accountable to Government and not bureaucratic control."

The characteristics described by the CFV were of a program that was being undermined in its own Government Department and by 1985 the CDP ceased to exist.

### **Ministerial Advisory Committee on Co-operation**

The Ministerial Advisory Committee on Co-operation (MACC) was established in February 1984 by Mr. Ian Cathie, Minister for Housing, with the support of Mr. Jim Simmonds, the Minister of Employment and Training.

Mr Simmonds support was secured through Ministerial Adviser Joe Burke who liaised closely with the Ministry's Co-operative Development Program. The MACC process was significantly funded by the Ministry of Employment and Training.

MACC was asked to review the Co-operation Act and to identify appropriate mechanisms for developing the co-operative sector. The detailed particulars of the terms of reference, however, focussed on the government rather than the co-operative movement with references to "the relationship between co-operative theory and practice and the philosophy and principles of the labour movement", "assess whether co-operatives and their development are

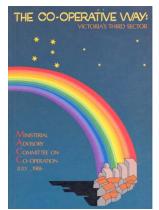
consistent with Government policy" and "formulate sets of guidelines for the practical application of the Government's role.."

Of the ten members of MACC, only two initially and eventually three were from the cooperative movement - representing the Co-operative Federation of Victoria Ltd and the Victorian Credit Co-operative Association Ltd.

While hosting MACC, the Ministry of Housing provided limited financial and staff support. It was the Ministry of Employment and Training that provided significant support for the MACC process relying on the advice of its own Co-operative Development Program to the Office of the Minister - funding a co-operative seminar, co-operative education research and the development of worker co-operative proposals - \$151,559.54 in total:

MACC Seminar, information papers and seminar notes \$21, 888.5 Education and Training study \$25,000 Worker Co-operative Study \$19,727 Food Co-operative Workers \$43,309 Food Co-operative Support \$41,615.04

The MACC report was released in 1986. The response to the report by Andrew McCutcheon, the Attorney-General, was prepared for the Minister by David Griffiths, of the Department of Employment and Industrial Affairs and a member of MACC.



In a report to members dated 23 October 1987 the CFV commented on MACC: "In recent years the main emphasis has been directed to participation in the Victorian Government's Ministerial Advisory Committee on Co-operatives (MACC). This has been a very frustrating experience as MACC has become bogged down in ideological battles and administrative inertia, despite the earnest attempts of CFV to build a practical and supportive Government approach to co-operatives. The time and effort directed towards MACC by CFV has been at the cost of direct member contact and services."

Appendix C of the MACC report listed 16 co-operative companies in Victoria and their total assets - \$322,390,259 in 1983-84. It was an attempt to impress with the number and scale of large co-operatives in Victoria. By 2017, however, only two (12.5%) of the co-operative companies had survived – Murray Goulburn Co-operative Co Ltd and the Warrnambool Cheese and Butter Factory Company Limited.

The Co-operative Way had been preceded by a number of documents issued by the Ministerial Advisory Committee on Co-operation:



MACC released the **Information Paper** in June 1984 to stimulate discussion. The paper had two main purposes – to identify the major issues which confront the co-operative movement and extend an invitation to members of the co-operative movement and other interest parties to react to the issues presented in the paper

The Co-operative Seminar Papers reproduces the papers presented in June 1984 at Dallas Brooks Hall to hear papers on the development of co-operatives. The seminar was funded by the Victorian Government and there were over 500 people in attendance – most of them co-operators.

**Co-operation in Victoria: The MACC Working Papers** were released by MACC in June 1985 – a series of papers prepared by working parties established by MACC. There were five working parties – Consumer-Industrial, Producer-Trading-Marketing, Community Services and Trades Hall Council. Each working party was asked to address three themes – legislative changes, stimulation of cooperative development and government involvement in co-operative development.

**Democracy Through Education** by Geoffrey Meredith and Brian Greer was released in December 1984 - a report on the development of co-operative education and training in Victoria, reviewed national and international literature, provided an in-depth analysis of Victorian co-operative education and training provision and identified a number of options available to the Government for the long-term development of co-operative education and training.

Supplementing the MACC process were further reports funded by the Co-operative Development Program at the Ministry of Employment and Training on food co-operatives and worker co-operatives:



On the 27 February 1987 the then Chairman of MACC, Barry Pullen, urged the Attorney-General J.H. Kennan, M.L.C. in a letter to endorse "a programme designed to rejuvenate the philosophy and practice of co-operation and has two elements – an Immediate Action programme proposed for 1987-88 and a Short Term Actions programme for the following three years." and affirmed that the "proposals are essential and practical and, with your support, are capable of early implementation."

The formal Brief for the Hon. J.H. Kennan M.L.C. Attorney General from Ministerial Advisory Committee on Co-operation conceded on page 4;

5.4 The Co-operative Federation Victoria has expressed a number of reservations. The Federation suggests that initial resource emphasis should be directed towards a co-operative-awareness program for the community and in servicing the existing training needs of co-operative boards, committees of management, directors and officers. The Federation maintains a strong view that co-operatives are independent organisations and that matters of organisational restructure are desirable, but must reflect real needs.

The CFV reservations need to also be seen in the context of the financial recommendations of the brief – an immediate allocation of \$695,000 for 1987 -88 and a short-term allocation of \$3,292,000 for 1988 – 91. Of the immediate allocation, \$262,000 (37.81%) was for food cooperative development. Of the short-term allocation \$597,000 (18.13%) was for food and worker co-operative development. An allocation of \$820,000 (24.9%) was provided for cooperative education and training.

Only one food co-operative had been a member of CFV and the worker and work co-operatives had joined the CFV because it was an initial requirement of funding. The funded co-operatives did join but subsequently CFV found it difficult to obtain feedback from the co-operatives on their expectations. The education and training allocation was proposed for Preston TAFE that had provided an excellent service for the Co-operative Development Program but was not a co-operative education provider steeped in co-operative values and principles as was the Co-operative College in the UK.

The brief to Kennan argued that a total of 145 submissions had been received from cooperatives, co-operative organisations, individual co-operators, community groups, politicians, bureaucrats and government agencies and from individuals. The brief noted that the co-operative response 71% "supported the general thrust of the recommendations with a further 14% supporting specific items, giving a total of 85%" and that "8% were opposed to the general tone and a further 6% objected to specific items." The brief was accompanying by an appendix – a detailed spreadsheet of respondents and responses in a smaller font than the brief itself and an analysis of this reveals more:

There were 31 submissions from co-operatives -21.4% of 145 submissions received. These 31 submissions were from 2.5% of the 1236 registered co-operatives at 30 June 1984 Of the 31 submissions there were 9 (29%) from food co-operatives.

Only one co-operative company (Pivot) made a submission.

There were no submissions from co-operatives that had been funded under the Co-operative Development Program, Ministry of Employment and Training.

There were 34 (23.4%) submissions from government, bureaucrats and politicians.

The peak body the Australian Associations did make a submission on behalf of its members but a minority of co-operatives were members.

There was no momentum within the Victorian Labor Government to take support for cooperatives any further and this in itself was sufficient. Even if there had been any momentum, it would have been easy for the Government to argue that there had not even been momentum from co-operatives to pressure the Government to move on the recommendations from the report of the Ministerial Advisory Committee on Co-operation.

There were ominous signs, however, with the closing down of the Co-operative Development Program as the MACC Report was released and in two key responses to the Report. First, there was the response of the Department of Labor:

# 93. Department of Labour

- 1. Number of Recommendations directly affect Dept.
  - establishment of proposed Co-op Development Section (4
    positions), and
  - fund a worker co-op program (\$1.4 million in 1986/7).
- proposes that DOL provide \$750,000 over 3 years to establish worker co-op association.
- 3. Two other Recommendations re. funding (1) TAFE and (2) Food Co-operative Study do not identify DOL as funding source but imply that DOL should be the source.
- 4. Recommendations appear to be based on misconceptions of CDP funding in 85/6 and 86/7. Actual funding was: \$227,000 (not \$1.4 million) for 85/86 and \$13,000 for 87/87, to meet commitments prior to cessation of CDP.
- 5. Resources previously allocated to CDP have been redeployed to higher priority activities in the restructured DOL. One staff spends part time on admin. of currently funded co-ops.
- 6. Does not accept that DOL is responsible for alleviation of poverty through food distribution network development (Food Co-operative Study) as its primary responsibility.
- 7. Therefore suggests that worker co-op funding proposals in the Report require further consideration if activities are to continue.
- In particular, DOL unable to provide resources recommended in Report unless higher priority programs announced in Budget were dismantled or reduced.

Source: Additional Responses Synopsis – Read in Conjunction with The Co-operative Way Response Chart, Ministerial Advisory Committee on Co-operation , p. 16

The Victorian Government Treasurer comments included the following:

## 128. The Treasurer of Victoria.

- Many co-operatives are small, under capitalised, and in some cases, of questionable efficiency.
- Co-operative sector would therefore require a substantial level of Government support e.g. guarantees and grants to take on increased share of economic activity.
- Questionable whether Government has this capacity and whether such support will provide measurable benefit to the economy.
- 4. To enable proper assessment of financial implications, further analysis required of financial position of existing co-operatives and success/failure rate of different types of co-operatives.
- Detailed commentary follows on some recommendations. Resolution necessary prior to Government statement of support for Report.

# 5.1 Government Role

Recommendation 4: should be rewritten so that "The economic potential of Co-operatives should be recognized and developed in the Government's Economic Strategy with the assistance of the proposed Victorian Co-operatives Council.

Prior to this recommendation, reference is made to "development of specific strategies for co-op sectors in context of Government's Economic Strategy". Thus the Government would have to develop industrial sector strategies and then identify sectors where co-op development could be encouraged. This needs addressing -

## 5.2 Government Grants

Does not appear to address problems in raising adequate equity capital by community service and worker co-operatives. In turn, this restricts capacity to raise loans.

Source: Additional Responses Synopsis – Read in Conjunction with The Co-operative Way Response Chart, Ministerial Advisory Committee on Co-operation, pp. 24 - 25

MACC lingered on until May 1992 but neither its reports or its recommendations influenced Government decision-making and its existence finally ended with the State election. An enthusiastic Attorney General Andrew McCutcheon was Attorney General between 1987 – 1990 but was unable to get the Government to act on the MACC Report whereas his successor Jim Kennan who was Attorney General between 1983 – 1987 and 1990 – 1992 was not interested in the need for action and in the 1992 State Election in Victoria the Coalition won and formed Government.

Kennan had become adverse to co-operatives and mutuals after the failure of the Pyramid Building Society. Pyramid was established in 1959. By 1990 Pyramid was part of the Farrow Group – a diversified finance company. There were 19 companies in the group including Pyramid, Geelong Building Society (established in 1867) and the Gippsland Permanent Building Society. The sorry tale is reported in **Farrow Group Inquiry Final Report**, D.J. Habersberger, QC Volume 1, 2 and 3 of 10, Government Printer Melbourne, 10 October 1994.

Race Mathews was the leading proponent of co-operative development in the Labor Government. As Shadow Minister for Economic Development (1981 – 1982) Mathews had counted on advancing co-operatives development, but instead he was appointed Minister for Police and Emergency Services and Arts (1982–1987) by Labor Premier John Cain. He subsequently became Minister for Community Services (1987 – 1988) and became Chairman of the Ministerial Advisory Committee on Co-operation from 1988 until 1992 and had to settle shepherding it along as best he could. This was killed when the Attorney General changed in 1990 from Andrew McCutcheon who was 100% supportive to Kennan

It was subsequently in 2017 that a Victorian Government adopted a Social Enterprises Strategy compared with the decision of a previous Labor government not to adopt a cooperatives strategy. In the mid to late 1980s substantial work had been developed on the cooperative option by the Victorian Labor Government.

It can be assumed that non-profit welfare agencies are similar to co-operatives but this claim ignores four fundamental differences. In recent years the welfare agencies have become increasingly dependent on corporations and Government funding. Welfare agencies have also become involved in the development of social enterprises which perpetuate the charity and benevolence of the parent agencies. Most social enterprises are owned and controlled by the agencies for their clients – rather than owned and controlled by their users and/or workers.

Characteristic	Co-operatives	Welfare Agencies
Purpose	Self-help by members.	Charity and benevolence by members for clients.
Ethical Values and	ICA Co-operative values and	Welfare agencies values and

Principles	principles.	principles.
Democracy	Member ownership and control	Benevolent ownership and control
Autonomy and Independence	Self-funding	Dependant on corporation, charitable and Government funding.

The Victorian Government in 2017 has made a default preference for benevolence and patronage – over collective self-help through co-operatives. Although outside the scope of this paper, the Business Council of Co-operatives and Mutuals was established in 2013 and exemplifies the strength of the co-operative model throughout Australia and BCCM has reported on its activities as follows:.

#### As at 2017 BCCM achievements to date have included

#### **Federal Senate inquiry**

Through the efforts of the BCCM, the Federal Senate voted in March 2015, to hold <u>an inquiry</u> into the operation of co-operatives and mutuals in the Australian economy. The Economics References Committee <u>handed down</u> their report on 17 March 2016 providing <u>17 wide ranging recommendations</u> highlighting the various barriers to innovation, growth and free competition faced by the sector. The report received strong industry endorsement as a roadmap to begin to level the playing field for the sector.

### Published numerous studies and reports

As part of our commitment to educate policymakers and the public, the BCCM publishes an annual report on the scale and performance of the Australian co-operative and mutual sector. The <u>National Mutual Economy</u>

<u>Report</u> also lists the Top 100 co-operative and mutual enterprises (by turnover) for the year.

### **Government submissions**

As part of our on-going advocacy work, the BCCM has made numerous policy <u>submissions</u> to federal, state and local governments including in the areas of competition policy, agricultural development, healthcare and affordable housing, among others.

### Held national and regional events

The BCCM holds an <u>annual Leaders' Summit and Taste of Australia Industry Dinner</u> which brings together leaders from the CME and extended business world addressing key issues and opportunities facing the sector and economy as a whole. We hold other events during the calendar year including business development networking workshops, round table discussions, webinars and CEO dialogues.

### Improved provision of education training to the sector

Through the advocacy of the BCCM together with our members and the academic community, the country's first dedicated graduate level CME courses have come online with The University of Sydney, University of Western Australia and Australian Institute of Management WA. In partnership with the AICD, the BCCM also holds a CME 100 Chairs Forum bi-annually, bringing chairs of co-operative and mutual enterprises to discuss issues facing the sector and the economy more broadly.

Whatever reservations about the history, structure and achievements of the BCCM a substantial contribution has been made to co-operative advocacy in a short period of time – exceeding anything that CFV was able to achieve. This does not mean that the reservations are irrelevant but that there is a need to provide a balanced perspective.

These reservations are found in two documents:

Griffiths, David Co-operation – Ideal and Practical Each for All and All for Each, Co-operative Federation of Victoria Ltd, 2014

Griffiths, David Co-operative Means and Co-operation Ends, Co-operative Federation of Victoria Ltd, 2017

## **Activist Registrar of Co-operatives**

During the MACC process the Registrar of Co-operatives was activist in its promotion of co-operation and co-operatives.

The activist approach of the Registrar of Co-operatives, W. Kilpatrick, was evidenced in an interview in the Victorian Credit Co-operatives Association newsletter VCCA Point of View where Kilpatrick discussed the role of the Registry and credit unions:

KILPATRICK: The Registry no longer exists. The Ministry of Housing is the Government organisation which has the responsibility for the regulation of credit societies so the first thing is that I and my staff represent the Government and they in turn are elected by the people as a whole. We see the relationship with the VCCA as being a relationship between the Government and the Trade Association for Credit Societies — we see that relationship as being one of close consultation, working together towards a common goal; i.e. the progress towards stability and growth of the credit society movement.

This activism was also exemplified in an Introduction Kilpatrick wrote in 1984 to new model rules that were developed for rental housing co-operatives:

It was with the support of Kilpatrick that a Co-operative Development Unit was established in 1987 – a singular response to the recommendations of the Ministerial Advisory Committee on Co-operation.

The Co-operative Development Unit had four staff and the Report of the Registrar of Co-operative Societies for the Year ended 30 June 1990 noted that the main operational aims of the Unit were:

Formation Assistance Education and Training Policy Development Information Provision Executive Services The activities of the Co-operative Development Unit included the following:

Publication of the Co-operative Directions newsletter Convening a Housing Co-operative Workshop Convening a Community Enterprise Workshop Facilitating an Access Loans proposal for credit unions.

It was the Co-operative Development Unit that undertook another proposal of MACC – the need for new co-operative legislation. The Unit prepared a paper on proposed changes to co-operative law in Victoria and sought feedback and subsequently did the preparatory drafting instructions.

Up until the beginning of 1990 the Co-operative Societies Advisory Council advised the Registrar of Co-operatives. The Advisory Council comprised five members including two representatives from the Co-operative Federation of Victoria Ltd – Ted Long and Brian Macintosh. The Victorian Registrar of Co-operatives Societies Annual Report 1989 had envisaged that a Victorian Council would be formed to replace the Ministerial Advisory Committee on Co-operation – and the Co-operative Societies Advisory Council. This did not eventuate and the Co-operative Societies Advisory Council lapsed and there was no longer a legislative-based advisory council to the Victorian Government. MACC was a whim of Government and had no legal standing.

The Registrar of Co-operatives has provided an annual grant to the Co-operative Federation of Victoria Ltd but by 2008 this had ceased – indicating the shift from an active to a passive role:

Registry of Co-operative Grants 2000 – 2008

2000 \$18,980 2001 \$25,087 1002 \$43, 814 2004 \$11,621 2005 \$8,089 2006 \$10,353 2007 \$517 2008 Nil

# Miller's Time

From 31 December 1984 Mr. W.W.Rawlinson resigned as Executive Officer of the CFV and was replaced by Tony Miller who continued until his own resignation from 7 September 1987. Mr. Rawlinson continued, however, as a member of the Ministerial Advisory Committee on Co-operation until its closure in 1992. Rawlinson had served Australia's co-operative movement for 27 years. He had also been a member of the Victorian Co-operative Societies Advisory Council (1982 – 85) and the Ministerial Advisory Committee on Co-operatives (1985 – 92). Before his appointment as Executive Officer Mr. Miller was employed as Special Projects Officer with the Victorian Credit Co-operative Association.

In its Annual Report for the year ended 30 June 1986 the CFV noted for Executive Officer A.B. Miller: "A considerable amount of our Executive Officers time has been spent liaising

and consulting with Government. In addition to participation in the MACC process Tony is a member of The Co-operative Development Program Funding Committee; The Legislative Review Committee and the Co-operative Societies Advisory Council. This involvement reflects increasing government interest in co-operatives and developing relationships with the Federation as a voice of the co-operative movement. The significant involvement with the government has temporarily affected the development of personal contacts with members."

# **Australian Association of Co-operatives**

The Co-operative Federation of New South Wales (CFNSW) was dissatisfied with the CFA and decided on unilateral action to force other State Federations to support an alternative structure. This was an uncanny precedent to the formation of the Business Council of Co-operatives and Mutuals that was formed in 2013 – except it was not only dissatisfaction with the peak body Co-operatives Australia but also a vis ion of bringing co-operatives, building societies and credit unions together.,



In 1986 the Australian Association of Co-operatives Ltd (AAC) was formed - a renamed and restructured Co-operative Federation of New South Wales.

The CFV did not immediately decide to join the AAC. There was considerable debate on this issue. With the formation of the AAC, CFNSW resigned from the CFA and withdrew its secretarial support.

A subsequent meeting of the CFA with the other State Federations concluded that the CFA would be maintained as the peak umbrella body and the secretariat moved to Melbourne with Brian Macintosh as President and Tony Miller as Honorary Secretary.

A 3 March 1987 meeting of the CFV board was concerned "about the falling support for the CFV and frustration voiced about the general lack of progress. There was general agreement that the current situation should not continue, and that the option of closing down the activities of the CFV or of adopting a survival strategy with a view to re-establishing the CFV needed to be considered. The usefulness of having the CFV was recognised and concern expressed that the experience of Victorian Co-operatives might be lost if it were to close."

The board decided that a "Co-operative Solutions Project" being developed by the Executive Officer Miller offered a survival strategy for CFV. By the 7 September 1987, however, Tony Miller resigned as Executive Officer before any solutions emerged.

On 21 September 1987 there was a meeting between representatives of CFV and the AAC. In a subsequent report to its members dated 23 October 1987 the CFV explained that the formation of the AAC was a "decision by the CFNSW to take an initiative in building a national co-operative body to replace the flagging CFA. CFNSW had put restructure proposals to CFA but these had not been accepted by the other State Federations." At the time of this report the membership of the AAC remained in N.S.W.

The same report to members also commented: "Members have not been active in the affairs of CFV and the responsibility has therefore fallen on a very small group of committed individuals." This pattern continued until 2013.

At the CFV's AGM on 14 December 1987 it was resolved that the activities of the CFV be suspended and, therefore, an application would be made to the AAC for establishing a Victorian Division of the AAC. The AGM Chairman, B.H.Macintosh, "Explained that the federation would be kept registered in case it could be of any assistance to Victorian cooperatives." This subsequently proved to be a wise precaution. Victorian cooperatives were encouraged to join the A.A.C and about 50% of CFV members followed this advice.

In 1988 the Victorian Division of the Australian Association of Co-operatives was established with Tony Gill as the State Secretary of the Division.

In 1992 the Victorian Labor Government introduced a Co-operatives Bill but the CFV opposed what it regarded as serious defects that would, if enacted, severely curtail the operations of co-operatives. The CFV's 1993 Annual Report described the Bill in the following terms: "The spectre of the Farrow Group of Building Societies' collapse pervaded the new Bill, with further restrictions to the operations of co-operatives and increased powers to the Registrar compared to the current Act. The Bill lapsed upon the dissolution of the Parliament prior to the last State election."

# Reactivating the CFV

On 4 March 1993 the Australian Association of Co-operatives financially collapsed and the Co-operative Federation of Victoria Ltd was re-activated. In The Democracy Principle: Farmer Co-operatives in Twentieth Century Australia Gary Lewis has examined the establishment and demise of the Australian Association of Co-operatives.

Between 1988 and 1993 Brian H. Macintosh had maintained the CFA during its dormant years. It was a vindication of Macintosh's suggestion that the CFV be maintained - rather than wound-up.

The initial Chairman of the re-activated Federation was Macintosh, a delegate of the Gippsland Tip Truck Hiring Co-operative Ltd, and the Secretary Mr. Anthony Gill. The Victorian Producers' Co-operative Co and the Phosphate Co-operative Co provided critical administrative support at this time.

Subsequently in 1993, Mr. John Gill was appointed Chairman. Mr Gill was a delegate of the Victorian Producers' Co-operative Ltd.

From 1992 a major focus of the CFV was an ongoing campaign to reform co-operative legislation - an issue that had been supported by the Ministerial Advisory Committee on Co-operation that had been dormant since the MACC report of 1986. The Labor Government introduced a co-operative Bill in 1992 that was not supported by the CFV.

In December 1993 representatives of the Federation met the Victorian Attorney-General, Mrs. Jan Wade, MP, to discuss the legislative hiatus. Eventually, new co-operative legislation was adopted in 1996 – the Co-operatives Act 1996. CFV, but in particular, Tony Gill, made a significant contribution to the development of the Act. The Co-operatives Act 1996 became a model for subsequent changes to co-operative legislation in other States.

In the early 1990's the CFV also initiated and promoted a number of new services for members - insurance, taxation and telephone. These services, however, were not well utilised by members.

In 1993 the CFV joined with the other Federations in establishing a National Co-operative Council. Subsequently, in 1995 it was renamed the Co-operatives Council of Australia Inc.

## **Victorian Co-operative News**

In February 1994 a new newsletter was initiated - the Victorian Co-operative News (VCN). VCN had a print run of 200 copies. In the first issue of the newsletter the Chairman, Mr. John Gill, stated: "In order to keep members informed about what is happening in the Federation and the Co-operative Movement we intend to publish a regular bulletin, of which this is the first edition. We hope this will not be a one way flow of information and we invite members and other interested people to contribute articles. We all face many common problems and can benefit from others experience and the exchange of views."

Until his subsequent resignation Secretary Tony Gill was responsible for producing the Victorian Co-operative News. Tony produced 14 editions of VCN between 1994 and 1998 and PDF copies are available at: <a href="https://www.coopdevelopment.org.au/viccoopnews.html">https://www.coopdevelopment.org.au/viccoopnews.html</a>

In 2002 the continued production of the Victorian Co-operative News was abandoned in favour of going online with the australia.coop web site. It was a decision that was not even discussed yet alone reviewed by the board. Yet, in 1999 the Membership Recruitment & Retention Committee observed in Membership Recruitment and Retention Committee Final Draft Report to the board meeting on 17 June 1999: "VCN is the only consistent and most affordable vehicle for communicating our presence and work to Victorian co-operatives and that consistency is a key – repetition of image and messages with each issue and not isolated mail outs." The same was to be achieved by the australia.coop web site – consistent, affordable and repetition of image and messages. It depended, however, on members and non-members being willing and able to accept an online rather than a printed CFV communication. This was never tested or even discussed by the board although a board meeting on 16 August 2001 had noted the results of a survey on the Victorian Co-operative News with 38 responses – a response rate of 59.4% compared with 20 – 25% in previous CFV surveys and a 2% response rate for a National Co-op Update survey.

38 reported that copies were distributed to all directors

12 reported that VCN was very easy to read and 25 that it was easy to read

31 reported that it kept them informed about the activities of CFV

The Victorian Co-operative News had three development phases.

The first phase was a four page edition edited by Secretary and Consultant Tony Gill.



The second phase was when Secretary David Griffiths was Editor for an eight page VCN with John Gill on an Editorial Committee. Gill was a prolific contributor of thoughtful cooperative think-pieces:

AGMs Victorian Co-operative News, June – July 1999, pp. 4 and 7Agricultural Co-operatives and Value-Adding Victorian Co-operative News, Volume 4 Issue 6, December 1998 – January 199, p. 3
Co-operative Capital Victorian Co-operative News, Volume 4 Issue 5, October – November 1998, p 3
Co-op History Victorian Co-operative News, June – July 1999, p 7
Death of a Co-operative, Victorian Co-operative News, Volume 4 Issue 6, December 1998 – January 199, pp 1 – 2
Milking Co-ops Victorian Co-operative News, June – July 1999, p 2

The second phase was not as professional as the first phase and had more opinion than news but, nonetheless the opinion was insightful – particularly the contributions from John Gill.



The third phase was when the Victorian Co-operative News was a four page insert within the National Co-op Update:



This third phase resulted in the most professional production but, as in the second phase, there was more opinion than news. In 2000 CFV entered the agreement with Words in Time, the publisher of National Co-op Update (NCU), for producing and printing the VCN in its third phase as a four page insert within NCU. The arrangement began with the March/April 2000 issue of the VCN and provided an additional bonus for members. In the March/April 2000 issue of VCN CFV Executive Officer Graeme Charles stated: "Members will no longer need to subscribe to NCU in order to receive it. I am certain that this strong link between NCU and CFV will result in an improved channel of communication between the federation and its members." Other state Federations chose not to follow CFV in developing a strategic relationship with NCU. This arrangement, however, was dependent on using funds provided by the Victorian Government. When the funds were no longer available the arrangement would and did cease.

The warning signs of decreasing agricultural co-operative support began in the early 1990s with the withdrawal of:

Pea Growers Co-operative Ltd, 8 October 1993 Snowy River Seed Co-operative Limited, 7 October 1993 The Phosphate Co-operative Company of Australia Limited, 9 Match 1994

# **Co-operative Opportunities Project**

In 1996 the CFV established the Co-operative Opportunities Project - under the leadership of its initiator and board director Vern Hughes. The project was established to explore new opportunities for co-operative enterprises in Victoria and promote interest in the co-operative model. Four co-operative opportunity papers were authored by Vern Hughes on:

- Electric co-operatives
- Forestry co-operatives
- Health co-operatives
- Local Government

Vern Hughes had proposed that a series of discussion papers be prepared on opportunities for co-operatives. He proposed that he would write the papers to be published by CFV:

Discussion Paper No 1 Opportunities for Co-operatives in Local Government Restructuring, June 1996

Discussion Paper No 2 Opportunities for Co-operatives in Electric Industry Restructuring This was subsequently republished as Co-op Power – Opportunities for Co-operatives in Electric Industry Restructuring in 1998.

Discussion Paper No 3 Opportunities for Co-operatives in Health Care, April 1997

In a report to the board on 23 May 1997 Hughes reported that 150 copies of the electricity and local government papers and 300 of the health paper had been printed. The health paper was reprinted by Doutta Galla Community Health Service and the Department of Community Development at Deakin University. The local government paper5 was reprinted by the Queensland Co-operative Council, the electricity paper was reprinted by Macaulay Credit Union and the four papers were reported in National Co-op Update.

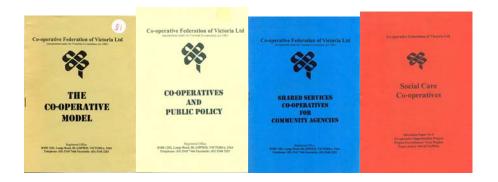
In 1997 the CFV organised four information seminars on the new Co-operatives Act - attended by 130 representatives from 85 co-operatives. The CFV Secretary and Consultant was very busy advising co-operatives on necessary rule changes. Up to January 1999, for instance, 435 legislation information sheets were requested and provided to 51 co-operatives – an average of 8 per co-operative.

Mr. John Gill continued as Chairman until 1997 when David Griffiths, the Secretary of Cooperative Energy Ltd, was appointed Chairman. In 1998 the CFV was involved in two new initiatives - an agricultural co-operative directors training course and the Co-operation Awards. The first Co-operation Awards were made at the AGM and awarded to:

Subsequently, the CFV Board decided to review and suspend the Co-operation awards – and they never returned,

It was also during 1998 that CFV issued a number of small booklets authored by David Griffiths:

- Co-operatives and Public Policy
- Privatisation of Co-operatives
- School Co-operatives
- Shared Services Co-operatives for Community Agencies
- Social Care Co-operatives
- The Co-operative Model



In 1998 he Co-operative Federation of Victoria Ltd also produced a series of Legislation Information Sheets on the Co-operatives Act 1996. Secretary and Consultant Tony Gill was responsible for co-ordinating, producing and distributing the Legislation Information Sheets which were developed in 1998 with funding from the then Office of Fair Trading and Business Affairs. Co-operatives and co-operators were warned that while CFV had checked everything in the information sheets, no person should rely on the contents without first making their own inquiries or obtaining advice from a qualified person or both, regarding their particular circumstances. The Co-operative Federation of Victoria Ltd emphasised that it was not responsible for the results of any action taken or omitted to be taken by any person as a consequence of anything contained in this publication or for any error in or omission from the information sheets. This is a listing of the Legislation Information Sheets released in 1998:

Number 1 Active Membership Number 2 Becoming a Member Number 3 Body Corporate Members Number 4 **Death of a Member** 

Number 5 Directors Duties and Liabilities

Number 6 Holding Postal Ballots on Requisition

Number 7 Issuing Bonus Shares

Number 8 Manner of Conducting Postal Ballots Number 9 New Categories of Co-operatives

Number 10 Notices

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Number 11 Registering as a Foreign Co-operative

Number 12 Rule Changing Procedures Number 13 Special Postal Ballot Number 14 Special Resolutions

Number 15 Untraceable Members

In 1999 a Membership Recruitment & Retention Committee was appointed and reported to the board. Three directors served on the Committee – John Gill. David Griffiths and Vern Hughes.

MMRR Commission Payments 2/23 February 1999 MRR Usage Subscriptions 3/23 February 1999 MRR Federation Services 4/23 February 1999

MRR Member Benefit 6/23 February 1999

MRR Terms of Reference All 7/2 March 1999

MRR Service Usage 9/2 March 1999

MRR Membership Motivation 10/9 March 1999

The work of the committee included reviewing membership participation in and usage of CFV services which was facilitated by excellent detailed data provided by Tony Gill. In examining this data, MRR observed as follows:

Community Co-operative Seminar, 1995 - two members
Parnell Seminar, 1994 - 7 members
Community Co-op Seminar Registration, 1996 - 3 members
Co-ops using CFV insurance service, 1999 - 9 members
Co-operative Legislation sheets requested - 435 in total, 1999 - 51 members
New opportunities seminar, 1997 - 16 members
Telephone Advice - 195 times in total between 1997-1999 - 53 members
Books purchased by members - 39 books, 1999 - 15 members

The MRR Committee tabled A Final Draft Report at a board meeting on 17 June 1999 and advised: "What we have argued throughout this report is the importance of services to membership recruitment and retention – improving existing services, maintaining existing services, expanding existing services, developing new services and appropriately promoting services. We have argued that the basis of these services is the unique niche strengths of the Federation – co-operative legislation, co-operative education and co-operative advocacy"

The MRR Committee never developed a Final Report for consideration by a subsequent board meeting and the soon to be departures of Tony Gill and Vern Hughes may have contributed to this. David Griffiths cannot recollect why there was no follow-up..:

# **A Turning Point**

Anthony Gill continued to serve as the CFV Secretary until 1999 when he resigned and was subsequently succeeded by Mr. Graeme Charles, the Chairman of Co-operative Energy Ltd, who was appointed as the CFV's Executive Officer in September 1999. In 1999 Mr Gill was also a founding member of the Co-operative Development Services Ltd. At a board meeting Gill had sought approval for the new co-operative joining CFV – without informing the board that he was a founding member.

Tony Gill has suggested that the change from a consultant to an employee was because the board wanted to direct the Executive Officer without the constraint of a consultancy agreement. The argument is basically specious, however, for it is an argument against any employer who prefers employees rather than consultants. The decision by the board was more to do with reducing the cost of the Executive Officer as it was anticipated that membership numbers and subscription income would decline in the future..

Gill has implied, at least, that the retention of an Executive Officer as a consultant would not have seen a reduction in membership numbers and annual subscription income. There were more significant factors contributing to this decline than the status of the Executive Officer.

#### **Outsider Gill**

Since his departure from CFV, Tony Gill has been an active and willing critic of the Federation as exemplified in these comments in The Co-operator – an irregular newsletter of three editions between 2002 and 2007:

The circulation of this Co-operator is unknown.

In April 2000 the board received the results of a member survey undertaken by Paul Martin a lecturer in Business at RMIT – Co-operative Federation of Victoria: Members' Survey. Martin reported that 24 of 82 members had responded to the survey – a response rate of 29% when a response rate for general population surveys 10% was considered acceptable. He noted, however, that only 8% of Victoria's registered co-operatives were members of CFV and that if co-operatives were a more tight-knit with a crusading view of co-operation that more would be members. He noted that only 5 of the 24 respondents reported that they were members of the CFV primarily to promote co-operation. He concluded CFV was not relevant to many co-operatives and that many co-operatives were co-operatives of convenience.

On the 1 August 2000 the Workshop: Together, We have the Power. Small Consumer Aggregation was co-convened by Co-operative Energy Ltd, Co-operative Federation of Victoria Ltd and Victorian Local Governance Association The workshop would not have been possible without the financial support of TXU Retail. Speakers at the workshop were:

Robert L. Church, Paper: Small Consumers and Energy Cooperatives,

Robert L. Church

David Cornelius, Office of Regulator-General,

Jennifer Cleeve, Paper: Competition and Choice

Speaker: David Griffiths, Empowering,

For the workshop CFV member Co-operative Energy Ltd published two papers:

Griffiths, David Group Buying Power: Energy co-operatives empowering small consumers

Griffiths, David New Government New Direction New Energy: Empowering individuals and their communities through co-operation - mutuality instead of dependence and subservience

While CFV was busy continually attempting to develop services, there was an ongoing concern with limited membership involvement. In the September/October 2000 issue of VCN the CFV Executive Officer, Graeme Charles, lamented: "In my article last issue, I presented some questions that another member-based organisation had developed to help their members think about the future of their body. The response to that article has hardly been deafening. No one has mentioned it to me, in any shape or form. Is anybody really concerned about these issues?"

Membership engagement was dwindling as further indicated by the following table of membership attendance at Annual General Meetings between 2001 and 2014:

Date of AGM	No of member votes at AGM	No of voting members	Number of proxy	Proxy votes as a % of
	at AGM	in attendance	votes	member votes
2 December 2014	3	2	1	33.3%
25 November 2014	4	3	1	25%

10 December 2012	12	6	6	50%
15 November 2011	11	6	5	41.7%
18 November 2009	12	5	7	58.3%
19 November 2008	11	5	6	50%
25 February 2004	10	7	6	
16 November 2006	12	6	6	50%
10 November 2005	11	5	6	54.5%
16 October 2002	14	8	6	42.9%
13 December 2001	23	13	10	47.6%

At a board meeting on 18 December 2000 Executive Officer Graeme Charles reported that 24 co-operatives had not paid their 1999/2000 Annual Subscription and had been advised that if not paid, then, their memberships would be cancelled. It was noted by the board that the explanations for non-payment were various and included:

Co-operatives who had joined for a short time only to receive assistance in the development of new Rules.

On the 14 May 2001 the CFV organised a Marketing Our Co-operative Advantage seminar in Warrnambool attended by 46 participants from 16 co-operatives. In 2001 the Co-op Advantage: Developing Directors of Co-operatives Kit and the Co-op Start-Up Manual were published.

The 13 December 2001 Annual General Meeting was heartbreaking for the co-operatives with three guest speakers and basket giveaways for each member in attendance courtesy of Bonlac Foods and Murray Goulburn Co-operative Co Ltd. While it marginally increased attendance, it did not justify the time and cost involved.

Earlier in the year at a board meeting on 26 June 2001 the Executive Officer Graeme Charles advised that six members of the Federation contributed 60% of projected subscriptions.

In September 2002 NCU ceased publication after 40 issues citing a lack of interest and financial support from the co-operative movement with some notable exception – including the Co-operative Federation of Victoria Ltd. A precipitating factor was that the publication subsidy provided by the Victorian Government was no longer available. All issues of NCU were made available on the australia.coop web site. Subsequently in an article entitled The death of National Co-op Update in the Victorian Co-operative News for December 2002 David Griffiths noted that co-operatives had failed to support National Co-op Update and that its closure followed a pattern of short-life co-operative publications in Victoria – two Co-operators, Co-op Digest, Co-operative Directions and the Co-operative Review.

At a board meeting on 16 August 2001 the Chairman David Griffiths had advised that through the arrangement with National Co-op Update the cost of distributing free copies of the Victorian Co-operative News was \$150 for each co-operative and this was not sustainable when 22 co-operative members of the Federation each paid less than \$150 in annual subscriptions.

Regretfully, the response of members to VCN as an insert with National Co-op Update was positive. In the September – October 2001 edition of the Victorian Co-operative News in VCN – a valuable tool David Griffiths reported a 59% response rate from 38 directors or

Co-operatives who were no longer operational.

Co-operatives who were involved in merger discussions.

managers – compared to a 20-25% response rate for previous CFV surveys and the 2% response rate to National Co-op Update's own survey:

Layout and design 12% Excellent, 29% Very Good and 44% Good

Readability – 29% Very Easy and 61% Easy.

Accountability (about CFV) – Mostly 76% and Sometimes 5%

Griffiths made this observation: "The survey will help us to further improve the relevance of VCN to our members." But, then, this assumed the continuation of the Victorian Cooperative News as an insert within National Co-op Update.

Throughout 2000 the board remained concerned with low levels of membership and the expectations of members. The board decided to organise a Future Directions Workshop and opened the workshop to members and non-members. Apart from CFV directors, however, only three other co-operatives were sufficiently interested to attend. In her report of the Future Directions Workshop, the facilitator Melinda McPherson observed that the CFV "has a committed board of directors." The board remained committed to the end up to 2014. At the workshop board directors had identified threats to the Federation as including demutualisation of co-operatives, member apathy, poverty of the Federation with reducing resources and inadequate membership numbers. These threats were to continue and it is remarkable that the Federation continued until 2014.



In the September – October 2000 Victorian Co-operative News Graeme Charles asked: Is there anyone out there? In his article he warned: "Your non-attendance will probably be telling. It will indicate a lack of concern for the future of both the sector and the Federation." Subsequent to the Future Directions Workshop, Graeme Charles lamented the extent of non-attendance at the workshop in the November – December 2000 Victorian Co-operative News: "I believe that few Victorian co-operatives, including both Federation members and non-members, have any sense of ownership of the Federation."

At a board meeting on 12 December 2001 Executive Officer Graeme Charles foreshadowed his resignation which included the following issues:

The limited capacity of the Federation to pay an adequate level of remuneration.

The need for the Federation to further cut its expenditure.

His pessimistic expectation of the Federations development.

Graeme continued on the board until the 29 November 2008 as Deputy Chairman and Manager of Co-operative Education and Training – hoping that the work with the UK Co-operative College would eventually become financially sustainable in Australia. It was a hope shared by all directors. In a report to a board meeting on 14 February 2002 David Griffiths provided an analysis of CFV membership trends between 1993 and 2001:

# AGENDA ITEM 5.4

This document is confidential and private for use by the board of the Co-operative Federation of Victoria Ltd only.

# Co-operative Federation of Victoria Ltd BM/14 February 2002 Membership Trends 1993-2001

What follows is an analysis of membership numbers and trends between 1992-2001.

Year End 30 June	Members
2001	68
2000	60
1999	84
1998	71
1997	62
1996	77
1995	68
1994	63
1993	43
1992	82

The decrease from 82 to members in 1992 to 43 in 1993 was an outcome of the collapse of the AAC. This was significantly reversed with a 68.25% increase in membership to 63 in 1994.

Between 1994 and 1996 there was a steady increase in membership from 63 in 1994 to 77 in 1996 – increases of 8.82% in 1995, 15.58% in 1996 and 19.35% in 1997. A critical determinant of this increase was the passage of the Co-operatives Act 1996 that required all co-operatives to change their rules.

Between 1997 and 1998 there was a significant decrease in membership from 77 to 62 – a decline of 19.49%. An explanation for this decline was the decreased impact of the Cooperatives Act 1996 – co-operatives who had joined for assistance in changing their rules no longer required assistance.

The increase in members between 1997 and 1999 is also attributable to the Co-operatives Act 1996. The Victorian Government had allowed a three year period for co-operatives to change their rules and this was placing increased pressure on co-operatives to comply, The decline in membership between 1999 and 2000 reflected a number of factors – transition, dissatisfaction and demutualization.

Transition The ending of the transition period for co-operatives to change their rules in conformity with the Co-operatives Act 1996 influenced membership because co-

### **New Chair**

On 9 October 2002 Tony O'Shea, from Avoca District Co-operative Ltd succeeded David Griffiths as Chair. Griffiths resigned after five years as Chairman to focus on his responsibilities as Secretary.

In an article entitled Discovering what members actually expect of the Federation the last issue of the Victorian Co-operative News in December 2002 Tony O'Shea expressed his disappointment "that such a small percentage of Co-ops registered in Victoria see fit to join the Federation" and he promised an ambitious program of visiting co-operatives throughout Victoria.

From the early 2000s it was symbolic that the board was forced to move its meetings to seven different venues – from Co-operative Purchasing Services Ltd to Substitution to the Acquum Restaurant to the Urban Camp to CEHL to the RACV and, finally to the SouthEast Housing Co-operative Ltd. It was all symbolic of the continuing and increasingly nomadic fragility of CFV.

A major focus for the Secretary was the establishment of the co-operative portal web site. australia.coop was launched on 30 November 2002 with financial support from Consumer and Business Affairs Victoria. The web site replaced the printed newsletter Victorian Co-operative News or an equivalent publication since December 2002. Instead in an article entitled <a href="http://www.australia.coop">http://www.australia.coop</a> in the final Victorian Co-operative News in December 2002 David Griffiths urged members to visit the web site regularly.

The assumption was that members and potential members would embrace the new technology and go online for information about the Federation and all things co-operatives and co-operation. This assumption was never tested and it remained an assumption and a hope.

The domain **coop** is a <u>sponsored top-level domain</u> (STLD) in the <u>Domain Name System</u> of the <u>Internet</u>. It is intended for the use of <u>cooperatives</u>, their wholly owned subsidiaries, and other organizations that exist to promote or support co-operatives. The <u>coop</u> TLD was proposed by the <u>National Cooperative Business Association</u> (NCBA) as a response to the announcement by the <u>Internet Corporation for Assigned Names and Numbers</u> (ICANN) in late 2000 of a phased release of seven new <u>generic top-level domains</u> in an expansion of the Internet domain name space.

australia.coop was á major milestone, however, because it was the first .coop country portal established in the world. This achievement, however, did not appear to be significant to most co-operatives throughout Australia. Access information about .coop

The proposal was backed by many <u>cooperatives</u> and similar trade groups around the world, including the <u>International Co-operative Alliance</u> (ICA). The technical infrastructure for the coop TLD was developed by the <u>worker cooperative Poptel</u> in the <u>United Kingdom</u> and became operational on January 30, 2002.

Between 2003 and 2004 the following submissions were made:

Local Government Victoria on Community Strengthening and the role of local government (2004)

Consumer Affairs Victoria on Discussion Paper What do we mean by 'vulnerable' and 'disadvantaged' consumers? (2004)

Board of Taxation Charities Bill 2003

Consumers and Co-operatives 2004

**FAO 2003** 

Social Capital 2003

Co-operative Soccer November 2002

Retirement Village Review 2004

The Co-operative Option and Associations 2004

Trade Practices Act Review and the ACCC July 2002

Trade Practices Act Review June 2002

At a board meeting on 20 August 2004 Paul Fitzgerald from the Australian Centre for Cooperative Research and Development (ACCORD) advised the board that ACCORD wished to work with State Federations building on CFVs work with the UK Co-operative College and also pay each Federation up to \$20,0000 each to develop co-operative case studies. It was a possibility that CFV welcomes and, in particular, it provided a basis for extending CFVs work with the Co-operative College – beyond the resistance of individual co-operatives and other State Federations, There was some misgiving too that it would amount to an ACCORD takeover of co-operative education. But, then, the possibility never became an opportunity with the death of Paul Fitzgerald and a decision of the NSW Government to cease funding ACCORD which closed in 2005.

In March 2005 David Griffiths reported the following statistics for australia.coop since its establishment in a one off newsletter called australia.coop (Vol 1 March 2005): Visits 99,187 Page Views 207,530

Hits 350,985

# **Enhancing australia.coop**

In late 2005 and early 2006 the australia.coop web site was redesigned with financial support from Consumer Affairs Victoria. There were five key components of the project funded by CAV

- 1. Redesign australia.coop
- 2. Updating six popular publications
- 3. Develop 10 new co-operative case studies/profiles.
- 4. Create capacity for online surveys.
- 5. Create Members Area on web site,

All the proposed components for the project were completed and the expected outcomes exceeded expected

While created, however, subsequent difficulties with the web host in upgrading from the lite to the professional version of the software led to a negotiation hiatus and this was the catalyst for the decision to change to another web host from NETC to MD Web Hosting.

The change to another web host created a number of additional enhancements to the web site that were not available from NETC or were available at an additional cost e.g. an RSS enablement, an email notification list (PHP list), a Bulletin Board (phbbb), an FAQ (FAQ Master), Advanced Survey and project status (dotproject.net). These enhancements will also facilitate profiling visitors.

Over time the australia.coop web site evolved and below the three phases have been captured for 2003, 2008 and 2015. It was still evolving when a lack of resources required abandonment of the site and two subdomains – victoria.coop and education. victoria.coop

# australia.coop

Last updated 07-Oct-2003 7:04 AM





Click on the logo above to go the the Co-operative Purchasing Services Ltd web site. CPS case study

Australian Co-op Links Privacy Policy

Co-ops in the ustralian state of lew South Wales - an ACCORD overview with stats



# Co-op Publications for Sale

Cooperation Works Farmer Controlled Business Make No Small Plans Strategic Marinagement of Self-Help Organization

Report of CIV board meeting a June 2003

CO-OP PUBLICATIONS

CCW Co-operative Mon Read problems.

The Co-op Dictionary overview poff version (RIDKE) brief version (329KB) Co-operation by Dr. Raes Males on Light papers

The Industrial Exchange-published in 1933, More.



Click the logo above to visit the seeb site of the Co-operative Federation of Western Amstralia

Top October Downloads

John Giddens on Credit Unions

Co-op Governance

# Developing Directors of Co-operatives Kit

Co-op Start-Up Manual

The Co-operative Formation Decision

What is a co-operative feasibility study?

Race Mathews -Looting Mutuals

Race Mathews -Credit Unions and Mutualism

The Co-op Dictionary overview pdf version(810KB) html version(329KB)

Practices Act - CFV submission

Board Alerts

Australian Tax Office Franking credits to distributions

International
Accounting Standards
and Co-operatives
Prowse, Perrin &
Iwomey on the new
international
accounting standards
and co-operatives.

07 October 2003 International Credit Union Day On 16 October 2003 credit unions in Australia, and throughout the world, will celebrate International Credit Union Day.

Statement about Credit Union Day. History of Credit Union Day.



International Credit Union Day October 16, 2003

o5 October 2003 Bonlac Announces Annual Results News release - Bonlac Foods

og October 2003 Agricultural and Rural Co-operatives in Australia Comparitive Co-operative Energy Ltd is the first to lodge an indicative order of Carp Levis' new book to be published in 2004. The co-operative has indicated that it will purchase 25 copies subject to final price.

Indicative orders without commitment are being taken now. You will be advised when the book is available and the cost. If you proceed with and order you will be eligible for a discount. **Email your indicative** order.

order.

og October 2003
What is a co-operative manager?
Revised version of a paper that argues a co-operative
manager is different and unless co-operative
understand and accept this, then, they build-in the
ingredients of faither. A major contribution to
operatives.
See also: Why do co-operatives fail as cooperatives?

Buy 1 .coop and Get 1 Free!

We hope cooperatives throughout Australia will take this opportunity to register with .coop and benefit from this campaign over the next 2 months.

Registrants can use the click through below and come to the Poptel registrar site as usual.

The registration process remains unchanged. Once you have registered, you will receive confirmation e-mails notifying you that you are entitled to a free domain name for the same duration you have registered a .coop name.

name. Each registrant will find a free e-voucher in their account manager and will be able to register their free domain ames using this woother. This automated system will be ready as of October 10th and this e-voucher will be vady as of October 10th and this e-voucher will be valid until 30 November 2005. Registrants must claim the free domain before they explore. Registrants will be receiving explanations on how to claim their free domain more and reminders to claim them during the 2 months.

23 September 2003
Ownership Welfare
A proposal to help low income people in Australia is an
example of ownership welfare - inconsistent with cooperative values and principles. Can it become
something more positive?

22 September 2003
A Future or No Future - Credit Unions in a Globalising Economy
Anne paper by the Bloo. Dr. Rese Mathews delivered at the 41st Anne paper by the Bloo. Dr. Rese Mathews delivered at the 41st Anne paper by the Bloo. Dr. Rese Mathews deliverable of Credit Thainn, Hamilton, No. on a September 2003.
In his paper, Dr. Mathews refer to the proposed demutualisation of the Connect credit usins in Tamania.

See: Credit Union Proposes Demutualisation Connect statementon demutualisation. Earlier paper by Dr. Roce Mathews on Credit Union

Co-operate or Compete?





The Proposal The NETC Cooperative. The Rules.

SITE CONTENT



Day, 186 Secretary General on International Co-operative Day

ACCORD

Click logo above to access web site of Amstralian Centre for Co-operative Research and

Australian Friendly Societies Association

Australian Association of Permanent Building Societies

Australian Credit Union Network

Co-operative Formation, new paper by ACCORD New Co-operatives; Motivations and Barriers. Click on the logo below to access the paper on the ACCORD web site by going to publications.

# ACCORD

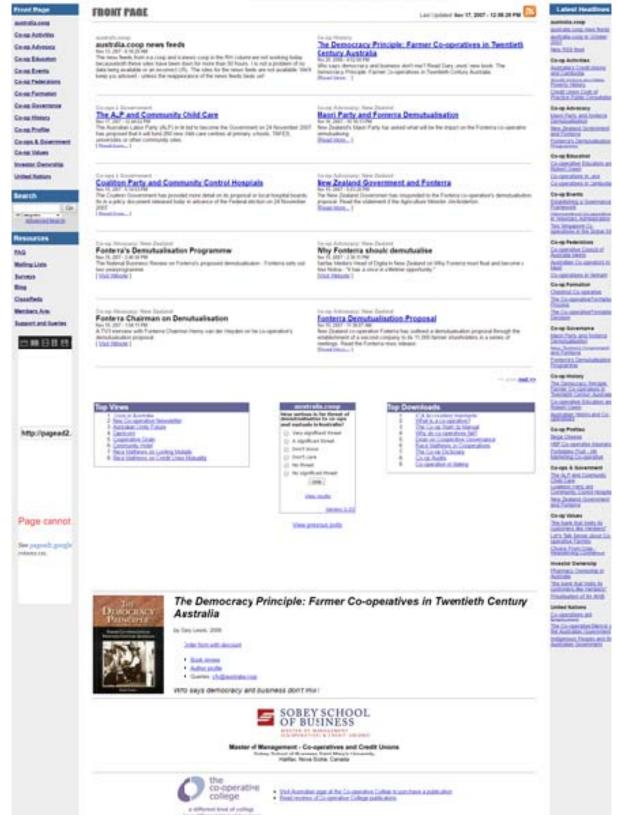
Co-operative History
Revised versions
available now
History of the Cooperative
Development Program
History of the YCW Cooperative Movement

Co-ops in Top 500 Private Companies The BRW/IBIS Report for 2003.

Charities Bill Submission
Af a meeting on 21
August 2003 the board of the Co-operative
Federation of Victoria
Ltd decided to make a submission



#### Need as I framewood Common I boson I frames I framework I became I became



Co-operatives AUSTRALIA

CFNSW

CFSA.

Co-operatives WA

Co-operative Education

AUSTRALIAN NEWS Co-operatives Victoria News

News and Information The people's Supermarket

- # The Co-operative College
- Co-operative Education

# PATRICTURE

# Social Enterprise Capitalism 2010-00-28 85-06-47





Co-operatives and Employment 1014-11-03 CL 17-29

Agricultural Green Pape

#### PEATURED ARTICLES

#### Promoting Co-operatives

Promoting co-operatives - An information guide to S.O. Recommendation No. 193 is a revised Second edition 2014. The First edition was published in 2004. The First Edition has been just of print for several years. The Second Edition has been prepared by Stirling Smith, UK co-operative College. Smith is an associate of the College. He has worked for the trade union movement and

Co-operation lideal and Practical Ideal and Practical Co-operation - Ideal and Practical Each for All and All für Each has been written

Copartitions in the Fourth Sector
operations in the Fourth Sector
Co-operations in the Fourth Sector - The Role of
blyinter Overed Businesses in the Global.

# At 8:30 p.m on 29 December

ABC1 showed the first of four programs on the People's Supermarket in the UK. The on Channel 4 in the UK in early 2011. The People's in May 2010 Is the People's Supermarket a food co-operative or is it something etie?

# Submissions on Financial Reporting for small co-operatives

On behalf of all States and Territories, on 8 November 2011 NSW Far Trading invited submissions on reporting reparements for small co closed on the 7 December 2015. Seven submission were received from - NSW Department of Education and training, the Co-operative Federation of Victoria Ltd, the Australian Accounting operatives WA, Mark Snell and the Sydney Live Steam Locomotive Society Cooperative Ltd.

# OTHER STORIES

# Co-operative Contradiction 2010-99-12 89-47-50







Co-operative Federation of South...

11-12 17:34:36



# WHO'S CINLINE

3014. The



Promoting Co-operatives

Promoting Co-operatives

Printing co-speratives - An information guide to ILO ndation No. 193 is a revised Second edition

### Co-operatives National Law...

Or the 19 November 2012 co-operative lawyer Jerm Matila made a presentation on Co-operatives National Lay to a.

- . Australia's First Co-operative Bank (09/09/2016)
- Small Co-operatives Financial ... (09/09/2015)
- + Hertage Bank (09/09/2010)
- Social Shareess Australia (09/09/2015)

Baker Co-operative (0)/09/2015)

. ICA General Assembly 2011 ... (DE080015)

# PUBLICATIONS

## Co-operation Ideal and Fractical

#### Co-operation ideal and Practical

Co-operation - Ideal and Practical Each for All and All for Each has been written by David Ordiths and

- . Co-operatives in the Fourth Sector (09/09/2015)
- \* Top 100 Co-operatives, Credit . (09/09/2015)
- The Co-operative Alternative (99/09/2013) · Australia's Third List of Top. (09/09/2015)
- Global 300 Report (09/09/2015).
- The First 100 Years (09/09/2015)
- The Democracy Principle (09/09/2015)



#### "Co-operative business is not...

dictared Danie Plauline Green, President of the

- + Cur Time to Stone (09/09/2015)
- + ICA General Assembly Meets (05/05/2015) Parliament House Leurich of INC 2012 (09/09/2015)

#### MC AUSTRALIA 2012 CO-OPERATIVE COLLEGE

GLOBAL NEWS HUB

The UK Co-operative College is dedicated to the parameter of a co-operative college conductive. It was established in 1918 in the UK the Co-operative was established in 1918 in the UK the Co-operative College is developed to municipal to run schoots as co-operative. I more detail



While australia.coop continued to evolve, missing from each succeeding incarnation was content from the previous phases. New and important content was added but old and equally important content was not transferred to the newer phase. The 2015 version did not, for example, include the Co-op Profiles available in the 2005 version. Papers by Race Mathews on demutualisation had also disappeared. The loss of old but equally important content was a consequence of mismanagement and a focus on newism – new site, new design and new content.

In Where is Australia.coop going, why and with what consequences? David Griffiths reported to a board meeting on the 22 August 2007 the following statistics for australia.coop:

australia.coop hits, views and downloads 7 January 2003 – 20 April 2004

**Total visits: 42,667** 

**Total hits: 183,767** 

Total pages: 122.676

**Total files: 77,316** 

Total data transferred: 6 gigabytes

CFNSW submission TPRC	2647 (1)
Co-op Dictionary (dg)	1550 (1)
Co-opAdvantage Director Kit	1,658 (1)
Looting Mutuals (rm)	1298
Co-op Start Up Manual (gc)	1674 (1)
What is a co-operative feasibility study? (dg)	1097
CFV submission Trade Practices RC (dg)	644
Why do co-operatives fail as co-ops? (dg)	832
Co-op Start Up Manual Summary (dg)	564
CFNSW additional submission TPRC	537
The Formation Decision (dg and gc)	690
Race Mathews intro (dg)	503

Top Co-operatives	731
Cunm (rm)	557
International Accounting Standards	672
Gary Lewis resume	532
Cs Co-operative Retailing (gc)	499
CFV submission Charities	299
Cs Alpaca Co-operative (acoop)	300
Cs NETC (netc)	275
Cs Co-operative Purchasing (ih)	303
H YCW Co-operative Movement (dg)	205
Cs SmarTimber	279
What is a co-operative manager? (dg)	270

The basic statistics for australia.coop are remarkable compared with any other activity of CFV since formation in 1970: total visits: 42,667; total hits 183,767; total pages viewed 122.676; total files downloaded 77,316; and total data transferred: 6 gigabytes (7 January 2003 – 20 April 2004).

These need to be put into the context of the CFV most recent peak level of activity in the 1995-98 period: 51 co-operatives requested legislation information up to 28 February 1999; 70 co-operatives attended legislation seminars in 1997; 29 co-operatives engaged the then Secretary of CFV, Mr. Tony Gill, as a consultant to update their rules up to 28 February 1999; 53 co-operatives sought advice on model rules and rule checklists as of 28 February and 53 co-operatives sought phone advice between 1 July 1997 and 28 February 1999. Adding these as if they were separate brings us to a total of 256 – a more than satisfactory outcome. However:

1995-1999 Interactions	2003-04 Interactions (7 January
	<b>2003 – 20 April 2004</b> )
256	42,667

The problem is that the extensive australia.coop interactions were not with annual subscription paying members of CFV.

While comprehensive, the australia.coop statistics up to 2011 did not enable us to identify Victorian and Australian - specific visitors

These statistics could have been generated by requiring visitors to log in but this would reduce accessibility and, therefore, visits. An online survey was initiated with 199 accessing the survey page but the processing was dysfunctional.

Interactions with CFV have ebbed and flowed before the establishment of australia.coop. What is further distinctive about australia.coop and other CFV activities is continuous growth and continuous improvement e.g.

Online and hard copy distribution of CFV co-operative publications between 7 January 2003 - 31 October 2004:

- Our Energy 5325
- The Co-op Dictionary 2873
- What is a co-operative? 2402
- The Co-op Start-Up Manual 2358
- The Co-opAdvantage Director Kit 2115
- What is a co-operative feasibility study? 1792
- Why do co-ops fail as co-ops? 1727
- The Co-operative Formation Decision 1172

At a board meeting on 30 May 2005 the following was noted: "It was agreed that without receipt of CAV funds and additional subscription income and no significant progress in co-operative education that a winding-up recommendation would be the inevitable outcome. The Secretary was asked to prepare information on winding-up and attach these to the minute. The Chairman said that he would also look at winding-up provisions.

## Co-operative Education - Break Through or Crash



In 2004 Graeme Charles was elected by the board as Deputy co-operative Chair. As Deputy Chair, he pioneered initial contact and liaison with the Co-operative College in the UK.

The co-operative model is absent from curricula at all levels of learning throughout Australia. Within the co-operative sector there is no co-operative-focused education program available. There has been no effective national organization representing the nation's 2000 plus cooperatives. This situation may be contrasted with the two other countries that Australians most readily identify with, the United Kingdom and the United States of America.

In 2005 Graeme met with the Co-operative College in the UK. On the 10 September he met with the Chairman of the Co-operative College, Stephen Yeo, when he was visiting Australia. Subsequently, Mervyn Wilson, of the Co-operative College visited WA and Victoria.

While in Australia, Mervyn Wilson initially spoke at the Co-operatives WA conference.

Subsequently, he came to Victoria and between 26 and 29 September 2005 was involved in a series of meetings with the Co-operative Federation of Victoria Ltd.

CFV representatives involved were N. Black (CFV director), David Dinning (CFV director) Tony O'Shea (CFV director and chair) and David Griffiths (CFV Secretary).

On Monday 26 September 2005 there was a meeting with David Cousins, Director, CAV, and Robert Larocca, Acting Chief of Staff, Office of the Minister for Consumer Affairs.

On Tuesday 27 September 2005 there were several meetings. The first was with Danny O'Donoghue, EO of The Centre. This was followed by lunch with the board of the Murray Goulburn Co-operative Co Ltd. In the afternoon there was a meeting with Jennifer Grigg, Manager, Sunraysia Institute of TAFE- Mallee Campus. In the evening there was a dinner with Dr. Lawrie Dooley, Agribusiness Programs Director, Monash University.

On Wednesday 28 September 2005 there were two meetings. The first was with Meredith Budge, Adviser, Victorian Communities, John Thwaites Office and Jeff Rich. The second was with Deborah Kennedy, Chief of Staff, Office of the Minister for Manufacturing and Export, Financial Services and Small Business and David Latina, Executive Director, Office of Small Business.

On Thursday 29 September 2005 Mervyn Wilson met with the board of the Co-operative



Federation of Victoria Ltd to review the meetings and discuss the way forward. In the picture Mervyn Wilson is talking with the Chairman of the Co-operative Federation of Victoria Ltd Tony O'Shea.

Subsequent to the visit of Mervyn Wilson, the Co-operative Federation of Victoria Ltd has worked with the Co-operative

College to develop some education programs for Australian co-operatives.

The UK Co-operative College has been providing workshops in Australia since 2006 - presented by Chris Cooper, Director of Learning and Development, UK Co-operative College. The workshops have introduced a new and significant dynamic to Australia's co-operative movement - a coherent and integrated co-operative education program based on co-operative values and principles.

Co-operative College workshops conducted in Australia since 2006 have included

Blue Mountains Co-operative
Capricorn Society Ltd WA
CBH Group
Challenge Dairy Co-operative
WA

Clarence River Fishermen's Co-operative
Geraldton Fishermen's Co-operative Ltd

WA

Macleay Regional Co-operative

MECU VIC

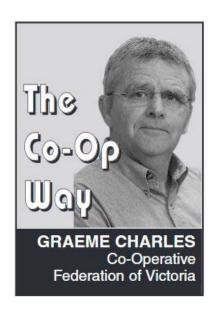
Murray Goulburn Co-operative Co Ltd

Ravensdown Fertiliser Co-operative Ltd WA
SouthEast Housing Co-operative Ltd VIC

SQP WA Meat Marketing Co-operative Limited	WA
Westgate Health	VIC
Common Equity Housing Limited	VIC
First Option Credit Union	VIC
Borderlands Co-operative	VIC

In 2006 Graeme Charles succeeded in partnering Murray Goulburn Co-operative Co Limited and United Dairyfarmers of Victoria in making an application to the Gardiner Foundation for funding. It was a two phase project. The first phase was two workshops – one for directors and senior management of Murray Goulburn and the second for directors and senior managers from a range of other dairy industry related co-operatives. The first workshop was held at the MG integrated Logistics Centre 5 – 6 September 2006 and was attended by 26 directors, senior managers and invited MG members. The workshop received an overall positive rating of 82% and in response to the question ""Would others benefit from this workshop?:" 25 of the participants said yes.

The second workshop also at the MG Integrated Logistics Centre was on 7 September 2006 and was attended by 36 participants representing 9 co-operatives and three dairy industry organisations. The results of the participants' survey were also encouraging with an overall positive rating of 76% and in response to the question "Would others benefit from this workshop?" 31 of the participants said yes.



Phase two did not happen but there were two positive outcomes. The first was there was the development of an online training program for Murray Goulburn members — Understanding Co-operatives and Co-operation. This was developed with the agreement of Murray Goulburn and the Gardiner Foundation as a substitute for the original phase two. The second outcome was an invitation from Robert White, Editor of the Murray Goulburn newspaper for Graeme Charles to contribute a monthly Co-operative Way column and this was undertaken by Graeme over a two year period. Articles are listed with dates when submitted for publication:

# List of Graeme Charles articles published between 2006 - 2008

Title	Date on Article or File – not when published	Identification Number
Why do you belong to Murray Goulburn Co-operative Company	1 September 2006	1
The importance of co-operatives in agriculture across the world.	2 October 2006	2
What Gives Co-operatives A Bad Name	21 November 2006	3
Murray Goulburn one of only two Australian co-operatives in the ICA Global 300	No date	4
UK Co-operative College and Co-operative Federation of Victoria helping Murray Goulburn members co-operative identity	!! December 2006	6
Review of The Democracy Principle: Farmer Co-operatives in Twentieth Century Australia by David Griffiths	12 February 2007	7
Particular Challenges for Co-operatives – Funding Expansion	12 February 2007	8
Particular Challenges for Co-operatives Part 2 Effective Democracy, or to put it another way, Members In Control	12 February 2007	9
Why are we ignoring co-operative solutions?	10 March 2007	10
A Co-operative AWB	29 March 2007	11
Could health co-operatives help solve the shortage of doctors in rural areas?	1 May 2007	12
Co-operative Demutualisation: the International Co-operative Alliance Response	6 August 2007	13
US Credit Unions buck Global Demutualisation Trend	7 August 2007	14
Co-operatives creating value for farmers and rural communities	4 November 2007	No number
Dairy Co-operatives in India	12 November 2007	16
Cooperatives get together in New Zealand to discuss the Co-operative Advantage of Dairy Business	21 November 2007	17
Retaining Co-operative Characteristics and Globalisation	25 January 2008	18
Agricultural Co-operatives are Financially Competitive	7 February 2008	19
Does Co-operation Improve Profitability for Farmers	3 June 2008	21

Small is sometimes beautiful	30 September 2008	Number unknown
------------------------------	-------------------	----------------

When the Co-operative Way column was being published the circulation of Devondaler was 6500 copies. By 2017 this had decreased to 4750 copies. In publishing the articles Murray Goulburn through Devondaler was providing CFV with unique access to its members — members of one of the largest co-operatives in Australia. In 2017 the recollection of Graeme Charles was that there was no feedback to his articles — an important opportunity to expose members of the co-operative to co-operative values and opportunities. The co-operative column in the Devondaler was isolated despite the commitment and encouragement of the editor Robert White and his own contributions from time to time on the meaning of co-operation.

The Understanding Co-operatives and Co-operation online training program was established in 2008. According to Graeme Charles at the time in Devondaler (Vol 23 No 7 (issue No 269) July 2008 "The program provides people with an understanding of what it is that makes co-operatives different from other business models, the principles and practices that guide co-operatives and the responsibilities of various stakeholders in a co-operative such as members, directors and staff." The Understanding Co-operatives module consisted of the following sections:

Introduction
What is a co-operative?
Co-operative Principles
Co-operative Responsibilities
Member Benefit explained
Member Equity explained
Murray Goulburn specifics
Knowledge Test
Glossary

It was also on 7 April 2008 that Graeme Charles provoked a front page story in the Weekly Times:



Graeme Charles argued that Australia was in danger of losing its dairy co-operative:





Subsequently, in June 2008 CFV director Niel Black, a dairy farmer, addressed the Annual Conference of United Dairyfarmers Victoria (UDV) proposing a resolution that the conference endorse co-operatives as a preferred model. In proposing the resolution Niel's comments included these comments "We are slowly losing our co-ops. We are increasingly seeing dairy processing owned by foreign-owned businesses. Why are co-ops important? The

milk supplier is also one of its owners. Co-ops have as their goal the maximisation of returns to dairy farmers. Non co-operatives have as their goal the maximisation of returns to shareholders."

Niel's proposed resolution was amended to propose that UDV develop an education campaign to identify the effects of co-ops Aa dairy processes. The amended motion was carried at the conference. (Devondaler Vol 23 No 7 (Issue No 269) July 2008 Supplier plea for UDV co-op support by Sue Webster p 7)

In contrast, the Capricorn Society response was different. Capricorn describes itself as follows: Capricorn was established in 1974 by a small group of Western Australian service station owners to increase their buying power and level the playing field with the big multinational oil companies. We are a member based organisation proudly operating by cooperative principles to primarily support businesses in the automotive industry. Our approach allows our Members to better manage their businesses by saving time and money. We offer our Members a broader range of services, including equipment finance, travel services and business protection. Operating on cooperative principles means our Members are the owners too and are eligible to receive dividends, if declared. Members enjoy regular social and networking events. Today, we have over 16,000 Members and over 1,800 committed Preferred Suppliers across Australia and New Zealand."

Capricorn began with a two day workshop for directors and senior managers in 2006. This was followed-up with a workshop for all field representatives in 2007. Capricorn then developed a Co-operative Identity Project within the co-operative – to enable the co-operative to own its training of managers and staff into the future.

In February 2009 Graeme Charles advised the board that he was unable to continue as a trainer for the Co-operative Identity Program in Australia. This was subsequently noted by the board at its meeting on 25 March 2009.

## Rebranding

In 2009 a continuing search for relevance the Co-operative Federation of Victoria rebranded itself as Co-operatives Victoria. At the same time a new logo was developed for Co-operatives Australia. The Co-operatives Australia logo was developed by Ramsay Margolis, Executive officer of the New Zealand co-operative Association. It was, however, a rebranding without enough substance.



The logos represented aspirations both for the Co-operative Federation of Victoria Ltd (Co-operatives Victoria) and Co-operatives Australia. There were not and would not be additional financial and other material resources.

## Possibilities are not Opportunities

There are consistent and fluctuating themes in the history of the Co-operative Federation of Victoria Ltd since 1970:

- the unceasing search for improved co-operative legislation
- the critical importance of co-operative education to member ownership and control of co-operatives and the Federation itself and public policy debate and decisions
- an ambivalent relationship with Government
- an ongoing struggle to obtain and maintain members through appropriate and acceptable services.

Throughout the history of CFV there were always possibilities which did not develop into ongoing opportunities that generated a sustainable income and future for CFV. There were five critical that significantly contributed to the decline of CFV:

Education Before and Beyond Fading Agriculture Registrar Retreat Social Enterprise Alternative Resurrecting Individualism

## **Education Before and Beyond**

The initiative with the UK Co-operative College was an important development and it was not for want to of trying by both the UK Co-operative College and CFV.

In 2006 CFV secured a grant of \$25,0000 from the Gardiner Foundation to pilot a cooperative education program for dairy farmers. Both Murray Goulburn Co-operative Co Limited and the UDV partnered the project. Workshops were developed and completed and both CFV and the Co-operative College were willing to move on with rolling out an ongoing co-operative education program. But, neither Murray Goulburn nor the UDV had the commitment or resources to fund or even promote an ongoing program – to go beyond workshop that was funded by someone else. Without this endorsement commitment at a minimum neither CFV or the College were able to proceed.

Only one co-operative in Australia realised the importance of co-operative education and what the Co-operative College was bringing to Australia – that was the Capricorn Society under the leadership of Trent Bartlett. Other co-operatives saw the Co-operative College workshops as another offering by another educational provider with no unique aspects and participation in one workshop was all that was necessary and next time another provider would be used that did not include airfare costs. Murray Goulburn was slightly different in

that every couple of years it would indulge in Co-operative College workshops but not on an ongoing and integrated basis as achieved by Capricorn.

The initiative, effort and achievement in bringing the UK co-operative College to Australia should not be under-estimated but, then, it required co-operatives to understand and accept the unique nature and need for co-operative education and the unique experience and skills of the Co-operative College and CFV itself was a declining peak body with a reducing membership and an increasingly reduced resource capacity. CFV did not have access to relevant networks inside and outside the co-operative movement and, therefore, did not have relevance.

## **Fading Agriculture**

Historically, agricultural and rural co-operatives established and maintained the relative political and resource strength of CFV and if this decreased there was a proportionate decrease in the strength of CFV. Since 1970 the number of agricultural co-operatives in Victoria has decreased gradually and the large agricultural co-operatives that remained loyal members of CFV were eventually demutualised such as PIVOT, VPC and Bonlac. In 1984 there were 60 registered agricultural co-operatives in Victoria and of 45 co-operatives surveyed four had 50% of aggregate sales. This history has reported ongoing CFV concerns about revenue-dependence on a small group of co-operatives i.e. mainly agricultural co-operatives who over the years have demutualised.

Since the establishment of CFV there has been a significant decline in the number of registered co-operatives in Victoria. In 2013 there were 685 registered co-operatives. At 30 June 1988 there were 1,308 registered co-operatives in Victoria.

What is most significant for CFV, however, is that the large co-operatives which provided between 60-80% of annual subscription income were disappearing through failure and/or demutualisation and a new generation of agricultural co-operative leaders with corporate rather than co-operative values assumed the leadership of surviving agricultural co-operatives. New co-operatives were joining CFV but they were typically small with a modest annual subscription payment but with high expectations for services that in the past were subsidised by the annual subscription payments of the large co-operatives. Too many of these small co-operatives were also co-operatives of convenience without any significant underlying understanding and commitment to co-operative values and principles and if there was this depended on particular individuals, particularly founders, remaining with the co-operative.

## **Registrar Retreat**

Up until the 2000s the Registry of Co-operatives was a passionate advocate of the co-operative idea as exemplified by the establishment of the Co-operative Development Unit. In Administrative Arrangements for Co-operatives: Options (11 April 1986) W>J> Kilpatrick, Registrar of Building & Co-operative Societies, argued: "A separate Office of Co-operatives would highlight the uniqueness of the co-operative philosophy, principles and methods, and would keep faith with the long held and cherished traditions and aspirations of the co-operative movement."

By the early 2000s the Registry of Co-operatives had changed from an active to a passive role and was no longer actively promoting and supporting co-operatives. The Registry was not interested in keeping any faith and cherished traditions and aspirations. As an officer from the Registry explained to CFV Chairman Tony O'Shea in 2004 "The Act does not require ua to give advice and we don't." It is, of course, speculative as to why, how, when and who there was a decision to consult the Act and whether this was because the Registry was suddenly aware that it might be liable for its advice and/or the provision of the Act was discovered that the Registry should not be providing advice.

Annual grants from the Registrar of Co-operatives to the Co-operative Federation of Victoria Ltd had ceased by 2008 – not because of CFV itself but because CFV no longer fitted the guidelines of existing consumer group funding programs. Published Annual Reports from the Registrar of Co-operatives ceased in the 1990's. With the withering-away of the Ministerial Advisory Committee on Co-operation there was no advisory body on co-operatives and co-operation.

## **Social Enterprise Alternative**

CFV was increasingly further undermined by the emergence of social enterprises – a new kind of business equally embraced by the welfare industry, corporations and government. What social enterprises were not, however, were forms of business owned and controlled by their members as users of the services. The typical social enterprises continues the pattern of charitable benevolence and is, therefore, inherently anti-democratic despite its exaggerated claims and rhetoric about difference, opportunity and innovation.

In 2017 the Victorian Labor Government adopted a Social Enterprise Strategy whereas in the 1980's a preceding Labor Government had declined to adopt a co-operative strategy despite the work of the Ministerial Advisory Committee on Co-operation. As Shadow Minister for Economic Development I'd counted on advancing co-operatives development, but with my unexpected re-assignment to Police and Emergency Services and Arts portfolios I had to settle for the creation of MACC and the chance to shepherd it along as best I could.

Pyramid and a change of Attorney-General - Andrew McCutcheon who was 100% supportive to Kennan who was as totally opposed - killed the whole thing.

It was one of the bitterest disappointments in my time in the State Parliament, as it was also I am sure to the public service people who serviced the committee and had put immense effort into its work and in particular the preparation of the report.

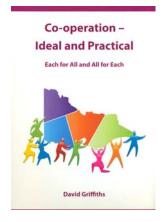
## **Resurrecting Individualism**

Individualism has always co-existed with co-operation. The culture of individualism has increasingly triumphed over solidarity and no more is this evident than in the giog ecxonomy which claims connection but depends on individualism. Ultimately, the impetus to co-operate

through a federation depends on the co-operation ideology, spirit and commitment of cooperatives for a Federation is what its members determine as it is owned and controlled by its members. If co-operatives decide not to co-operate through a Federation, then, it is not because of the inadequacies of the Federation but because of their lack of a co-operation ideology, spirit and commitment.

Co-operation is a solidarity movement – as is trade unions and friendly societies. Like co-operatives, both have seen a significance collapse in solidarity with, for example, trade union membership at 15% of the workforce in 2017. Nonetheless, and thankfully, trade unions remain a potent influence despite declining numbers.

Nonetheless, it is still arguable that the decline of CFV was also a decline in its leadership – from the board, the Secretary and Executive Officer – unable to provide the relevant vision, expertise and skill ro arrest this decline. Given, however, the other contributing factors it is unlikely that a different leadership would have produced a different outcome. A simplistic analysis would argue differently – despite evidence to the contrary.



Qualification: This is an evolving history that will be updated with additional information and, when, necessary corrected.

Sources: Archives of the Federation including Annual Reports, minutes of AGM's and board meetings, submissions and publications such as Co-op Digest and the Victorian Co-operative News. These archives have been uploaded to the Internet Archive and can be accessed by searching for Co-operative Federation of Victoria Ltd. The Internet Archives can be accessed at:

<a href="https://archive.org/index.php">https://archive.org/index.php</a> For a more recent history of the Co-operative Federation of Victoria Ltd - Co-operation – Ideal and Practical Each for All and All for Each. Tony Gill has also written about his experience as Victorian Executive Officer for the Australian

Association of Co-operatives Ltd (1989-93) and Secretary of the **Co-operative Federation of Victoria Ltd** (1993-99) at <a href="https://www.coopdevelopment.org.au/cfvhistory93">https://www.coopdevelopment.org.au/cfvhistory93</a> 99.html

**Co-operative Federation of Victoria Ltd Alphabetical List of Directors - 1993 to 2017** 

Name of director	Delegate of Co-operative	Term of office
Andrews, Graeme	South Gippsland A.B. Co-operative Ltd	1997 - 1999
Batterham, Diane	South Kingsville Health Services Co-operative Ltd	2007 - 2012
Black, Niel	Demodairy Co-operative Ltd	1998 - 2012
Bodman, William	Murray Goulburn Co-operative Co Ltd	2012 - 2013
Boyce, Malcolm	Emerald & District Co-operative Society Ltd	1998 - 2001
Brentnall, David	Consolidated Herd Improvement Services Co-operative Ltd	1999
Carlson, Miriam	South Kingsville Health Services Co-operative Ltd	1994 - 1996
Charles, Graeme	NorthEast Telecommunications Co-operative Ltd	2003 - 2008
Chenery, Stephen	Wholefoods Co-operative Ltd	1993-1995
Chester, Ken	Consolidated Herd Improvement Services Co-operative Ltd	1994 - 1997
Dinning, David	Independent Director	2003 - 2013
Dowland Rowan	bankmecu	2011
Evans, Jean	North Geelong Rental Housing Co-operative Ltd	1993-1996
Faram, Shirley	SouthEast Housing Co-operative Ltd	2007 - 2017
Gill, John	Victorian Producers' Co-operative Co. Ltd	1993-1999
Greenwood, Chris	Independent Director	2000-2003
Griffiths, David	Co-operative Energy Ltd	1995 - 2002
Harford, Bernie	Genetics Australia Co-operative Ltd	1995 - 1999
Hughes, Vern	South Kingsville Health Services Co-operative Ltd	1993 - 2000
Jamieson, Peter	NETC Co-operative	2001 – 2002
Johnston, Geoff	Eastern Suburbs Rental Housing Co-operative Ltd	1996 - 1997
Keelings, Helen	Architeam Co-operative	2006
Luckman, John	YCW Co-operative Society Ltd	1997 - 2003

Macintosh, Brian	Gippsland Tip Truck Hiring Co-operative Ltd	1983 - 1993
McMullan, Daniel	Bonlac Foods Limited	1993 - 1997
Ogier, Valerie	Co-operative Purchasing Services Ltd	1995 - 2002
O'Neil, Kerry	Community Enterprise Network Co-operative Ltd	1993 - 1995
O'Shea, Tony	Avoca and District Co-operative Ltd	2000 - 2013
Patullo, Anne	Essendon Rental Housing Co-operative Ltd	1997 - 1998
Pearcy, Elizabeth	Phoenix Management Co-operative Ltd	1997 - 1998
Risstrom, lan	West Gippsland Herd Improvement Co-operative Ltd	1993 - 1997
Ryan, Desmond	YCW Co-operative Society Ltd	1993 - 1994
Saunders, Jim	Phosphate Co-operative Co. of Australia	1993 - 1994
Seaborn, Linda	Cohousing Co-operative	2012 - 2013
Stone, Ron	Ballarat Community Education Centre Co-operative Ltd	1998 - 2001
Wilkens, Rolf	Swinburne Bookshop Co-operative Ltd	1999 - 2000

Total number of directors: 36 serving a combined total of 116 years

Male Directors: 28 (77.8%) Female Directors: 9 (22.2%)

Longest serving Chairman: Tony O'Shea 11 years Longest serving Treasurer: David Dinning 10 years Longest serving Secretary: David Griffiths 15 years Longest serving Director: Niel Black 14 years Longest serving male Director: Niel Black: !4 years Longest serving female Director: Shirley Faram 6 years

#### **Director Duration:**

10 Years or more: 4 (11,1%)

Seven years: 3 (8.3%( Six years: 3 (8.3%) Five years: 2 (5.6%) Four years: 3 (8.3%) Three years: 5 (13.9%) Two years: 4 (11.1%) One year or less: 12 (33.3%)

## **Director Co-operatives:**

Agricultural Co-operatives: 11 (30.6%) Housing Co-operatives: 6 (16.7%) Retail Co-operatives: 5 (13.96%) Health Co-operatives 3 (8.3%)

Agricultural co-operative directors dominated the board between 1993 and 1999 with five directors. This dramatically decreased to one agricultural co-operative director in 2000 and temporarily increased to two for one year in 2001

Number of directors from 12 co-operatives no longer in existence: 13

The co-operative names are in red.

# **Co-operation Between Co-operatives**

## **David Griffiths**

## 2003

A history of the Co-operative Federation of Victoria Ltd is in essence about the co-operative principle of co-operation between co-operatives - about the origins, development, benefits and limits of a peak body for co-operatives.

The Co-operative Federation of Victoria (CFV) was formed in Melbourne in October 1970 as an unincorporated body.

Prior to the establishment of the CFV there were at least three preceding initiatives to establish peak bodies for co-operatives in Victoria. In 1921 a Co-operative Union of Victoria was formed and ceased. In 1939 a Co-operative League was formed in Victoria and in 1944 the League organised a Victorian Co-operative Congress.

## Co-operative Development Society

The immediate predecessor to the Federation was the <u>Co-operative Development Society (CDS) – registered on 6 February 1961 by the YCW Co-operative Movement.</u> Throughout the 1960's the CDS was committed to co-operative advocacy and education. In its January March 1964 Development Bulletin, the Co-operative Development Society Limited explained: "*Membership of it is on an individual basis. Anyone interested in co-operatives may apply to become a* 

member provided he or she is prepared to work for the advancement of cooperatives. The Development Society is responsible for promoting new cooperative societies and for stimulating interest in the proper development of existing societies."

According to its April/June 1961 Development Bulletin, the CDS was committed "towards developing 'whole' co-operators - not only 'one-type' co-operators."

Between 1961 and 1970 the CDS:

- Published the quarterly Co-operator
- Published the quarterly Development Bulletin
- Build-up a co-operative library
- Provided speakers
- Organised co-operative education conferences

The Secretary of the Co-operative Development Society was Ted Long who subsequently became a founding director of the Co-operative Federation of Victoria.

The CFV was initially formed with the following objects:

- To encourage the application of co-operative principles and methods to economic and social needs by the formation and development of co-operative organisations and associations for distribution, marketing, housing, health insurance, credit and any other services or activities to which co-operative principles and methods may be applied.
- To carry on, encourage and assist educational and advisory work relating to co-operative enterprises.
- To further and protect the interests of co-operatives by action in making representations to responsible authorities.
- To print, publish and circulate any newspapers or other publication in the interest of co-operative enterprises, practise and principles.
- To render services designed to ensure efficiency and uniformity in the conduct of the business of its members.

The August 1971 issue of the CFV's publication Co-op Digest explained in an article, Why the Federation?

It was formed by people who saw a need to co-ordinate the many types of cooperatives in Victoria. The founders believed a federation was necessary to ensure that the vast amount of money, effort, achievements, talents, knowledge, experience and hopes built up in co-operatives was developed to the fullest extent in meeting economic and social needs.

The Federation is a voluntary association of co-operatives designed to encourage the application of co-operative principles and methods. It will seek

to do this without usurping or duplicating the functions of any association of co-operatives or of any individual co-operative society or corporation.

With the formation of the CFV, the Co-operative Development Society eventually ceased operating. On its establishment the CFV joined the national Co-operative Federation of Australia. The Co-operative Federation of Australia had been formed in 1944. State Federations in New South Wales, Queensland and Western Australia were already members.

Between 1970 and 2001 the Federation was served by **six Executive Officers/Secretaries** and **eight Presidents/Chairmen**.

Mr. John Mason, of the Co-operative Housing Societies of Victoria, was appointed the foundation President (Chairman) and Mr. Rob Maybury was appointed the foundation Secretary/Treasurer.

Between 1971 and 1974 the CFV published Co-op Digest - its first publication. The publication had originally been proposed by the Co-operative Development Society early in 1970 as a successor to its publication The Co-operator and was referred by CDS to the CFV on its establishment.

In the first August 1971 issue of Co-op Digest it was stated: "The Digest will be directed towards education of directors, committee members, employees and voluntary workers."

At the 1 November 1971 Co-op Digest had a paid circulation of 560. At the request of the CFA, from 1972 the Co-opDigest was being published by the CFV for the Co-operative Federation of Australia as a national co-operative publication. In the February 1972 issue of the Co-op Digest the CFA noted: "1972 sees a new development in the affairs of the Co-operative Federation of Australia where its youngest member has adapted its own publication to the needs of national co-operative organisation. This is practical co-operation at work and the Council of the CFA records its appreciation of the Co-operative Federation of Victoria for this gesture."

Mr.Maybury continued until March 1974 when he was succeeded as Secretary/Treasurer by Mr. J.Rigby, of the Murray Goulburn Co-operative Co Ltd. Mr Mason continued as President until 14 April 1975 when he was succeeded by Mr. H.J.Lyons.

Mr. Lyons continued as President until 1976 when he was succeeded by Mr. M.Rundle, of the Security Co-operative Permanent Building Society. Mr. Rundle had been a director of the Co-operative Development Society.

### **Executive Officer Rawlinson**

In 1978 it was agreed to re-locate the federal secretariat of the Co-operative Federation of Australia Ltd from Canberra to Melbourne - enabling the Executive Officer of the Co-operative Federation of Australia, Mr. W.W.Rawlinson, to be

seconded to the CFV on a 50% time basis from 1 November 1978. The federal secretariat had been established in Canberra in 1973. Mr. Rawlinson had been appointed Executive Officer for the Co-operative Federation of Australia in 1965.

From 1978 a focus of the CFV was job creation through co-operatives.

In 1980 Mr. Rundle resigned as President and he was succeeded by Mr. J.N.Black, of the Victorian Artificial Breeders Co-op Soc. Ltd.

In 1982 the CFV decided to formally incorporate and the Co-operative Federation of Victoria Ltd was registered on 8 February 1983.

From 30 June 1983 Mr. Rawlinson resigned as Executive Officer of the CFA but continued as Executive Officer of CFV.

In 1984 J.N.Black resigned as Chairman and Mr. Brian McIntosh was appointed.

## **Government Controlled Co-operatives**

Between 1981 and 1987 a preoccupation for the CFV were two Victorian Government initiatives - <u>the Co-operative Development Program (CDP)</u> and the Ministerial Advisory Committee on Co-operatives. Both initiatives were time consuming and eventually led to no ongoing outcomes.

The CDP was established in 1981.

Under the CDP, funding was provided to the CFV. In March 1981 the Ministry of Employment and Training provided the CFV with a grant of \$5000 to organise a residential workshop. In June 1981 the Minister of Employment and Training authorised the appointment of a Co-operative Business Adviser employed by the Co-operative Federation of Victoria Ltd. The Co-operative Business Adviser, Mr. Brian Greer, commenced duties on 13 July 1981. The CFV was also represented on the CDP Funding Committee.

The CFV was concerned about the nature and direction of the CDP and in an October 1984 newsletter to members stated: "Uncertainty and doubt about the Ministry of Employment and Training's role in the Worker Co-operative Development Program, staff turnover, delays in administering Programme commitments to Worker Co-operatives causing, amongst other things, cash flow problems, all confirm the often expressed view that administration of this type of Programme is a function for an informed professional business organisation, accountable to Government and not bureaucratic control."

The characteristics described by the CFV were of a program that was being undermined in its own Government Department and by 1985 the CDP ceased to exist.

**Ministerial Advisory Committee on Co-operation** 

The <u>Ministerial Advisory Committee on Co-operation</u> (MACC)was established in February 1984 by Mr. Ian Cathie, Minister for Housing, with the support of Mr. Jim Simmonds, the Minister of Employment and Training.

Mr Simmonds support was secured through Ministerial Adviser Joe Burke who liaised closely with the Ministry's Co-operative Development Program.

MACC was asked to review the Co-operation Act and to identify appropriate mechanisms for developing the co-operative sector. The detailed particulars of the terms of reference, however, focussed on the government rather than the co-operative movement with references to "the relationship between co-operative theory and practice and the philosophy and principles of the labour movement", "assess whether co-operatives and their development are consistent with Government policy" and "formulate sets of guidelines for the practical application of the Government's role.."

Of the ten members of MACC, only two initially and eventually three were from the co-operative movement - representing the Co-operative Federation of Victoria Ltd and the Victorian Credit Co-operative Association Ltd.

While hosting MACC, the Ministry of Housing provided limited financial and staff support. It was the Ministry of Employment and Training that provided significant support for the MACC process relying on the advice of its own Co-operative Development Program - funding a co-operative seminar, co-operative education research and the development of worker co-operative proposals.

The MACC report was released in 1986. The response to the report by Andrew McCutcheon, the Attorney-General, was prepared for the Minister by David Griffiths, of the Department of Employment and Industrial Affairs and a member of MACC.

In a report to members dated 23 October 1987 the CFV commented on MACC: "In recent years the main emphasis has been directed to participation in the Victorian Government's Ministerial Advisory Committee on Co-operatives (MACC). This has been a very frustrating experience as MACC has become bogged down in ideological battles and administrative inertia, despite the earnest attempts of CFV to build a practical and supportive Government approach to co-operatives. The time and effort directed towards MACC by CFV has been at the cost of direct member contact and services."

MACC lingered on until May 1992 but neither its reports or its recommendations influenced Government decision-making and its existence finally ended with the State election.

From 31 December 1984 Mr. W.W.Rawlinson resigned as Executive Officer of the CFV and was replaced by Tony Miller who continued until his resignation from 7 September 1987. Mr. Rawlinson continued, however, as a member of the Ministerial Advisory Committee on Co-operation until its closure in 1990. Before his appointment as Executive Officer Mr. Miller was employed as Special Projects Officer with the Victorian Credit Co-operative Association.

In its Annual report for the year ended 30 June 1986 the CFV noted: "A considerable amount of our Executive Officers time has been spent liasing and consulting with Government. In addition to participation in the MACC process Tony is a member of The Co-operative Development Program Funding Committee; The Legislative Review Committee and The Co-operative Societies Advisory Council. This involvement reflects increasing government interest in co-operatives and developing relationships with the Federation as a voice of the co-operative movement. The significant involvement with the government has temporarily affected the development of personal contacts with members."

## **Australian Association of Co-operatives**

The Co-operative Federation of New South Wales (CFNSW) was dissatisfied with the CFA and decided on on unilateral action to force other State Federations to support an alternative structure.

In 1986 the Australian Association of Co-operatives Ltd (AAC)was formed - a renamed and restructured Co-operative Federation of New South Wales.

The CFV did not immediately decide to join the AAC. There was considerable debate on this issue. With the formation of the AAC, CFNSW resigned from the CFA and withdrew its secretarial support.

A subsequent meeting of the CFA with the other State Federations concluded that the CFA would be maintained as the peak umbrella body and the secretariat moved to Melbourne with Brian Macintosh as President and Tony Miller as Honorary Secretary.

A 3 March 1987 meeting of the CFV board was concerned "about the falling support for the CFV and frustration voiced about the general lack of progress. There was general agreement that the current situation should not continue, and that the option of closing down the activities of the CFV or of adopting a survival strategy with a view to re-establishing the CFV needed to be considered. The usefulness of having the CFV was recognised and concern expressed thaat the experience of Victorian Co-operatives might be lost if it were to close."

The board decided that a "Co-operative Solutions Project" being developed by the Executive Officer offered a survival strategy. By the 7 September 1987, however, Tony Miller resigned as Executive Officer.

On 21 September 1987 there was a meeting between representatives of CFV and the AAC. In a subsequent report to its members dated 23 October 1987 the CFV explained that the formation of the AAC was a "decision by the CFNSW to take an initiative in building a national co-operative body to replace the flagging CFA CFNSW had put restructure proposals to CFA but these had not been accepted by the other State Federations." At the time of this report the membership of the AAC remained in N.S.W.

The same report to members also commented: "Members have not been active in the affairs of CFV and the responsibility has therefore fallen on a very small group of committed individuals."

It was at the CFV's AGM on 14 December 1987 that it was resolved that the activities of the CFV be suspended and, therefore, an application would now be made to the AAC for establishing a Victorian Division of the AAC. The AGM Chairman, B.H.Macintosh, "*Explained that the federation would be kept registered in case it could be of any assistance to Victorian co-operatives.*" This subsequently proved to be a wise precaution.

In 1988 the Victorian Division of the Australian Association of Co-operatives was established with Tony Gill as the State Secretary of the Division.

In 1992 the Victorian Labor Government introduced a Co-operatives Bill but the CFV opposed what it regarded as serious defects that would, if enacted, severely curtail the operations of co-operatives. The CFV's 1993 Annual Report described the Bill in the following terms: "The spectre of the Farrow Group of Building Societies' collapse pervaded the new Bill, with further restrictions to the operations of co-operatives and increased powers to the Registrar compared to the current Act. The Bill lapsed upon the dissolusion of the Parliament prior to the last State election."

## Reactivating the CFV

In March 1993 the Australian Association of Co-operatives financially collapsed and the Co-operative Federation of Victoria Ltd was re-activated. Between 1988 and 1993 Brian H. Macintosh had maintained the CFA during its dormant years. It was a vindication of Macintosh's suggestion that the CFV be maintained - rather than wound-up.

The initial Chairman of the re-activated Federation was Brian H.Macintosh, a delegate of the Gippsland Tip Truck Hiring Co-operative Ltd, and the Secretary Mr. Anthony Gill.

The Victorian Producers' Co-operative Co and the Phosphate Co-operative Co provided critical administrative support at this time.

Subsequently in 1993, Mr. John Gill was appointed Chairman. Mr Gill was a delegate of the Victorian Producers' Co-operative Ltd.

From 1993 a major focus of the CFV was an ongoing campaign to reform cooperative legislation - an issue supported by the Ministerial Advisory Committee on Co-operation that had been dormant since the MACC report of 1986. The Labor Government had introduced a Bill in 1992 that was not supported by the CFV.

In December 1993 representatives of the Federation met the Victorian Attorney-General, Mrs. Jan Wade, MP.to discuss the legislative hiatus. Eventually, new cooperative legislation was adopted in 1996.

In the early 1990's the CFV also initiated and promoted a number of new services for members - insurance, taxation and telephone. These services, however, were not well utilised by members.

In 1993 the CFV joined with the other Federations in establishing a National Cooperative Council. Subsequently, in 1995 it was renamed the Co-operatives Council of Australia Inc.

## **Victorian Co-operative News**

In February 1994 a new newsletter was initiated - the Victorian Co-operative News (VCN). The VCN continues to be published today as an insert within National Co-op Update. In the first issue of the newsletter the Chairman, Mr. John Gill, stated: "In order to keep members informed about what is happening in the Federation and the Co-operative Movement we intend to publish a regular bulletin, of which this is the first edition. We hope this will not be a one way flow of information and we invite members and other interested people to contribute articles. We all face many common problems and can benefit from others experience and the exchange of views."

In 1996 the CFV established the Co-operative Opportunities Project - under the leadership of its iniator and board director Vern Hughes. The project was established to explore new opportunities for co-operative enterprises in Victoria and promote interest in the co-operative model.

Four co-operative opportunity papers were authored by Vern Hughes on:

- Electric co-operatives
- Forestry co-operatives
- Health co-operatives
- Local Government and co-operatives

In 1997 the CFV organised four information seminars on the new Co-operatives Act - attended by 130 representatives from 85 co-operatives.

Mr. John Gill continued as Chairman until 1997 when David Griffiths, the Secretary of Co-operative Energy Ltd, was appointed Chairman.

In 1998 the CFV was involved in two new initiatives - an agricultural co-operative directors training course and the Co-operation Awards.

It was also during 1998 that CFV issued a number of booklets authored by David Griffiths:

- Co-operatives and Public Policy
- Privatisation of Co-operatives
- School Co-operatives
- Shared Services Co-operatives for Community Agencies
- Social Care Co-operatives

## • The Co-operative Model

Anthony Gill continued to serve as the CFV Secretary until 1999 when he resigned and was subsequently succeeded by Mr. Graeme Charles, the Chairman of Cooperative Energy Ltd, who was appointed as the CFV's Executive Officer in September 1999. In 1999 Mr Gill was a founding member of the Co-operative Development Services Ltd.

In 2000 CFV entered an agreement with Words in Time, the publisher of National Co-op Update (NCU), for producing and printing the VCN as a four page insert within NCU. The arrangement began with the March/April 2000 issue of the VCN. In the March/April 2000 issue of VCN CFV Executive Officer Graeme Charles stated: "Members will no longer need to subscribe to NCU in order to receive it. I am certain that this strong link between NCU and CFV will result in an improved channel of communication between the federation and its members."

While the CFV was busy developing services, there was an ongoing concern with limited membership involvement. In the September/October 2000 issue of VCN the CFV Executive Officer, Graeme Charles, lamented: "In my article last issue, I presented some questions that another member-based organisation had developed to help their members think about the future of their body. The response to that article has hardly been deafening. No one has mentioned it to me, in any shape or form. Is anybody really concerned about these issues?"

On the 14 May 2001 the CFV organised a <u>Marketing Our Co-operative Advantage</u> seminar in Warrnambool attended by 46 participants from 16 co-operatives.

In 2001 Co-op Advantage: Developing Directors of Co-operatives Kit and the Co-op Start-Up Manual were published.

In September 2002 NCU ceased publication after 40 issues citing a lack of interest and financial support from the co-operative movement with the notable exception of the Co-operative Federation of Victoria Ltd.

In 2003 The Co-op Dictionary - Co-operation A to Z, an australia.coop and Member Benefit brochures were published.

## **New Chair**

On 9 October 2002 <u>Tony O'Shea</u>, from Avoca District Co-operative Ltd, succeeded David Griffiths <u>David Griffiths</u> as Chair.

Griffiths resigned after five years as Chairman to focus on his new responsibilities as Secretary.

A major focus for the Secretary was been the establishment of the co-operative portal web site.

australia.coop was established in January 2003 with financial support from Consumer and Business Affairs Victoria. australia.coop was the first .coop country portal established in the world.

Since its establishment, australia.coop has attracted an unprecedented level of interest in the Co-operative Federation of Victoria Ltd. Thousands of Australians and people from overseas countries have accessed australia.coop

## Conclusion

There are consistent and fluctuating themes in the brief history of the Co-operative Federation of Victoria Ltd:

- the unceasing search for improved co-operative legislation
- the critical importance of co-operative education to member ownership and control of co-operatives and public policy debate and decisions
- an ambivalent relationship with Government
- an ongoing struggle to obtain and maintain members
- the education to Federation of individuals who have made a co-operative difference

**Qualification:** This is an evolving history that will be updated with additional information and, when, necessary corrected.

**Sources:** Archives of the Federation including Annual Reports, minutes of AGM's and board meetings and publications such as Co-op Digest and the Victorian Co-operative News. A searchable database of all documents in the archives is being prepared.

Last updated: 11 May, 2003